



BNSF Railway Company

Leased Lines and Wholly-Owned Subsidiaries

2650 Lou Menk Drive
Fort Worth, Texas 76131

ACAA - R1



Class I Railroad Annual Report

To The Surface Transportation Board
For the Year Ending December 31, 2008

710. INVENTORY OF EQUIPMENT - Concluded

UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS

Line No.	Cross Check	Changes during year (concluded)	Units at close of year							
		Units retired from service of respondent whether owned or leased including reclassification (h)	Owned and used (i)	Leased from others (j)	Total in service of respondent (col. (i) & (j))		Aggregate capacity of units reported in col (k) & (l) (see ins. 4) (m)	Leased to Others (n)	Line No.	
					Per diem (k)	All Others (l)				
56										56
57										57
58										58
59		378	958	10,378		11,336	736,840			59
60		12	775	3,666		4,441	295,806			60
61										61
62										62
63										63
64										64
65										65
66										66
67										67
68										68
69										69
70		390	1,733	14,044		15,777	1,032,646			70

NOTES AND REMARKS

710. INVENTORY OF EQUIPMENT - Continued

UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS

Line No.	Cross Check	Class of equipment and car designations (a)	Units in service of respondent at beginning of year		Changes during the year				Line No.
			Per diem (b)	All Others (c)	Units installed				
					New units purchased or built (d)	New units leased from others (e)	Rebuilt units acquired and rebuilt units rewritten into property accounts (f)	All other units, including reclassification and second hand units purchased or leased from others (g)	
		FLOATING EQUIPMENT							
56		Self-propelled vessels (tugboats, car ferries, etc.)	N/A						56
57		Non-self-propelled vessels (car floats, lighters, etc.)	N/A						57
58		TOTAL (Lines 56 and 57)	N/A						58
		HIGHWAY REVENUE EQUIPMENT							
59		Chassis (Z1_, Z67_, Z68_, Z69_)		11,714					59
60		Dry van (U2_, Z_, Z6_, I-6)		4,453					60
61		Flat bed (U3_, Z3_)							61
62		Open bed (U4_, Z4_)							62
63		Mechanical refrigerator (U5_, Z5_)							63
64		Bulk hopper (U0_, Z0_)							64
65		Insulated (U7_, Z7_)							65
66		Tank (Z0_, U6_) (See note)							66
67		Other trailer and container (Special equipped dry van U9_, Z8_, Z9_)							67
68		Tractor							68
69		Truck							69
70		TOTAL (Lines 59 to 69)		16,167					70

NOTES AND REMARKS

Note: Line 66 (Tank) must have fitting code "CN" to qualify as a tank, otherwise it is a bulk hopper.

710. INVENTORY OF EQUIPMENT - Continued

4. Column (m) should show aggregate capacity for all units reported in Columns (k) and (l), as follows. For freight-train cars, report the nominal capacity (in tons of 2,000 lbs) as provided for in Rule 86 of the AAR Code of Rules Governing Cars in Interchange. Convert the capacity of tank cars to capacity in tons of the commodity which the car is intended to customarily carry.
5. Time-mileage cars refers to freight cars, other than cabooses, owned or held under lease arrangement, whose interline rental is settled on a per diem and line haul mileage basis under "Code of Car Hire Rules" or would be so settled if used by another railroad.

UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS

Line No.	Cross Check	Changes during year (concluded)	Units at close of year						Line No.
		Units retired from service of respondent whether owned or leased including reclassification (h)	Owned and used (i)	Leased from others (j)	Total in service of respondent (col. (i) & (j))		Aggregate capacity of units reported in col (k) & (l) (see ins. 4) (m)	Leased to Others (n)	
					Time-mileage cars (k)	All Others (l)			
36			18		18		1,078		36
37			5		5		324		37
38		1,882	4,387	1,736	6,123		550,996		38
39		10	2,079	5,903	7,982		927,783		39
40		352	4,207	1,873	6,080		610,141		40
41		2,899	16,847	18,534	35,381		3,793,059		41
42		377	5,935	210	6,145		596,023		42
43		315	1,164	3,737	4,901		553,299		43
44		101	390	1,000	1,390		117,134		44
45		187	2,555		2,555		205,431		45
46		366	630	5,221	5,851		1,481,833		46
47		197	657		657		31,070		47
48		138	123		123		19,973		48
49		551	2,563	1,867	4,430		417,106		49
50			114		114		8,842		50
51		3	258	75	333		31,595		51
52		2	231		231		577		52
53		7,380	42,163	40,156	82,319		9,346,264		53
54		7	236		N/A	236	N/A		54
55		7,387	42,399	40,156	82,319	236	9,346,264		55

710. INVENTORY OF EQUIPMENT - Continued

Instructions for reporting freight-train car data.

1. Give particulars of each of the various classes of equipment which respondent owned or leased during the year.
2. In Column (d) give the number of units purchased or built in company shops. In Column (e) give the number of new units leased from others. The term "new" means a unit placed in service for the first time on any railroad.
3. Units leased to others for a period of one year or more are reportable in Column (n). Units temporarily out of respondent's service and rented to others for less than one year are to be included in Column (i). Units rented from others for a period less than one year should not be included in Column (j).

UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS

Line No.	Cross Check	Class of equipment and car designations (a)	Units in service of respondent at beginning of year		Changes during the year				Line No.
			Time-mileage cars (b)	All Others (c)	Units installed				
					New units purchased or built (d)	New or rebuilt units leased from others (e)	Rebuilt units acquired and rebuilt units rewritten into property accounts (f)	All other units, including reclassification and second hand units purchased or leased from others (g)	
36		FREIGHT TRAIN CARS Plain box cars - 40' (B1__, B2__)	18						36
37		Plain box cars - 50' and longer (B3_0-7, B4_0-7, B5__, B6__ B7__, B8__)	4					1	37
38		Equipped box cars (All Code A, Except A_5_)	7,926			26	53		38
39		Plain gondola cars (All Codes G & J, J__1, J__2, J__3, J__4)	7,992						39
40		Equipped gondola cars (All Code E)	5,698				112	622	40
41		Covered hopper cars (C__1, C__2, C__3, C__4)	36,439		521	1,101	219		41
42		Open top hopper cars - general service (All Code H)	6,388				134		42
43		Open top hopper cars - special service (J__O), and All Code K)	5,040			105	71		43
44		Refrigerator cars - mechanical (R_5__, R_6__, R_7__, R_8__, R_9_)	1,491						44
45		Refrigerator cars - nonmechanical (R_0__, R_1__, R_2_)	2,705				37		45
46		Flat cars - TOFC/COFC (All Code P, Q, & S, Except Q8_)	5,627		365	80		145	46
47		Flat cars - multilevel (All Code V)	416		248		190		47
48		Flat cars - general service (F10__, F20__, F30_)	261						48
49		Flat cars - other (F__1__, F__2__, F__3__, F__4__, F__5__, F__6__, F__8__, F40_)	4,582			140	140	119	49
50		Tank cars - under 22,000 gal. (T__0, T__1, T__2, T__3, T__4, T__5)	114						50
51		Tank cars - 22,000 gal. and over (T__6, T__7, T__8, T__9)	313			22	1		51
52		All other freight cars (A_5__, F_7__, All Code L & Q8__)	81					152	52
53		TOTAL (Lines 36 to 52)	85,095		1,134	1,474	957	1,039	53
54		Caboose (All Code M-930)	N/A	243					54
55		TOTAL (Lines 53 and 54)	85,095	243	1,134	1,474	957	1,039	55

710. INVENTORY OF EQUIPMENT (Continued)
UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS

710. INVENTORY OF EQUIPMENT (Continued)															
UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS															
Line No.	Cross Check	Type or design of units (a)	Units in service of respondent at beginning of year (b)	Changes During the Year				Units retired from service of respondent whether owned or leased, including reclassification (g)	Units at Close of Year				Line No.		
				New units purchased or built (c)	New units leased from others (d)	Rebuilt units acquired and rebuilt units rewritten into property accounts (e)	All other units including reclassification and second hand units purchased or leased from others (f)		Owned and used (h)	Leased from others (i)	Total in service of respondent [col (h) & (i)] (j)	Aggregate capacity of units reported in col (j) (See Ins. 7) (k)		Leased to others (l)	
17		Passenger-Train Cars												17	
18		Non-Self-Propelled Coaches (PA, PB, PBO)	163						163			163	23,472		18
19		Combined cars (All class C, except CSB)													19
20		Parlor cars (PBC, PC, PL, PO)													20
21		Sleeping cars (PS, PT, PAS, PDS)													21
22		Dining, grill, & tavern cars (All class D, PD)													22
23		Nonpassenger carrying cars (All class B, CSB, M, PSA, IA)													23
24		TOTAL (Lines 17 to 22)	163						163			163	23,472		24
25		Self-Propelled Electric passenger cars (EP, ET)													25
26		Electric combined cars (EC)													26
27		Internal combustion rail motorcars (ED, EG)													27
28		Other self-propelled cars (Specify types)													28
29		TOTAL (Lines 24 to 27)													29
30		TOTAL (Lines 23 and 28)	163						163			163	23,472		30
31		Company Service Cars													31
32		Business cars (PV)	39			5		7	37			37	N/A		32
33		Board outfit cars (MWX)	71				2	4	69			69	N/A		33
34		Derrick & snow removal cars (MWU, MWV, MWW, MWK)	93				1	2	92			92	N/A		34
35		Dump and ballast cars (MWB, MWD)	1,298			27	116	31	1,132	278		1,410	N/A		35
36		Other maintenance and service equipment cars	2,731	163		13		114	2,793			2,793	N/A		36
37		TOTAL (Lines 30 to 34)	4,232	163		45	119	158	4,123	278		4,401	N/A		37

710. INVENTORY OF EQUIPMENT UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS														
Line No.	Cross Check	Type or design of units (a)	Units in service of respondent at beginning of year (b)	Changes During the Year				Units retired from service of respondent whether owned or leased, including reclassification (g)	Units at Close of Year				Line No.	
				Units Installed					Owned and used (h)	Leased from others (i)	Total in service of respondent [col (h) & (i)] (j)	Aggregate capacity of units reported in col (j) (See Ins. 7) (k)		Leased to others (l)
				New units purchased or built (c)	New units leased from others (d)	Rebuilt units acquired and rewritten into property accounts (e)	All other units including reclassification and second hand units purchased or leased from others (f)							
1		Locomotive Units												1
		Diesel-freight units	5,123	301	51			303	2,560	2,612	5,172	(HP)	21,186,367	
2		Diesel-passenger units												2
3		Diesel-multiple purpose units	1,046	29			28	15	860	228	1,088	2,378,496		3
4		Diesel-switching units	188	1				14	167	8	175	239,550		4
5	*	TOTAL (lines 1 to 4) units	6,357	331	51		28	332	3,587	2,848	6,435	23,804,413		5
6	*	Electric locomotives												6
7	*	Other self-powered units					4			4	4	4,800		7
8	*	TOTAL (lines 5, 6, and 7)	6,357	331	51		32	332	3,587	2,852	6,439	23,809,213		8
9	*	Auxiliary units	43				35	7	71		71	N/A		9
10	*	TOTAL LOCOMOTIVE UNITS (lines 8 and 9)	6,400	331	51		67	339	3,658	2,852	6,510	23,809,213		10

DISTRIBUTION OF LOCOMOTIVE UNITS IN SERVICE OF RESPONDENT AT CLOSE OF YEAR BUILT, DISREGARDING YEAR OF REBUILDING															
Line No.	Cross Check	Type or design of units (a)	Before Jan 1, 1985 (b)	During Calendar Year					2005 (g)	2006 (h)	2007 (i)	2008 (j)	2009 (k)	TOTAL (l)	Line No.
				Between Jan 1, 1985 and Dec 31, 1989 (c)	Between Jan 1, 1990 and Dec 31, 1994 (d)	Between Jan 1, 1995 and Dec 31, 1999 (e)	Between Jan 1, 2000 and Dec 31, 2004 (f)								
11	*	Diesel	1,440	304	687	1,278	1,386	329	411	273	327			6,435	11
12	*	Electric													12
13	*	Other self-powered units				4								4	13
14	*	TOTAL (lines 11 to 13)	1,440	304	687	1,282	1,386	329	411	273	327			6,439	14
15	*	Auxiliary units	42	18	10		1							71	15
16	*	TOTAL LOCOMOTIVE UNITS (lines 14 and 15)	1,482	322	697	1,282	1,387	329	411	273	327			6,510	16

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 710

Instructions for reporting locomotive and passenger-train car data.

1. Give particulars of each of the various classes of equipment which respondent owned or leased during the year.
2. In column (c), give the number of units purchased new or built in company shops. In column (d), give the number of new units leased from others. The term "new" means a unit placed in service for the first time on any railroad.
3. Units leased to others for a period of one year or more are reportable in column (l). Units temporarily out of respondent's service and rented to others for less than one year are to be included in column (h). Units rented from others for a period less than one year should not be included in column (i).
4. For reporting purposes, a "locomotive unit" is a self-propelled vehicle generating or converting energy into motion, and designed solely for moving other equipment. An "A" unit is the least number of wheel bases with superstructure designed for use singly or as a lead locomotive unit in combination with other locomotive units. A "B" unit is similar to an "A" unit but it is not equipped for use singly or as a lead locomotive unit. A "B" unit may be equipped with hostler controls for independent operation at terminals.
5. A "self-propelled" car is a rail motor car propelled by electric motors receiving power from a third rail or overhead, or internal combustion engines located on the car itself. Trailers equipped for use only in trains of cars that are self-propelled are to be included as self-propelled equipment.
6. A "diesel" unit includes all units propelled by diesel internal combustion engines regardless of final drive or whether power may at times be supplied from an external conductor. Units other than diesel-electric, e.g., diesel-hydraulic, should be identified in a footnote, giving the number and a brief description. An "electric" unit includes all units which receive electric power from a third rail or overhead contact wire, and use the power to drive one or more electric motors that propel the vehicle. An "other self-powered unit" includes all units other than diesel or electric, e.g., gas turbine, steam. Show the type of unit, service, and number, as appropriate, in a brief description sufficient for positive identification. An "Auxiliary unit" includes all units used in conjunction with locomotives, but which draw their power from the "mother" unit, e.g., boosters, slugs, etc. For reporting purposes, indicate radio-controlled self-powered diesel units on lines 1 through 8, as appropriate. Radio-controlled units that are not self-propelled, i.e., those without a diesel, should be reported on line 13 under "auxiliary units."
7. Column (k) should show aggregate capacity for all units reported in column (l), as follows:
For locomotive units, report the manufacturer's rated horsepower (the maximum continuous power output from the diesel engines or engines delivered to the main generator or generators for tractive purposes). Exclude capacity data for steam locomotives. For passenger-train cars, report the number of passenger seats available for revenue service, counting one passenger to each berth in sleeping cars.
8. Passenger-train car types and service equipment car types correspond to AAR Mechanical Division designations. Descriptions of car codes and designations are published in The Official Railway Equipment Register.
9. Cross-checks

Schedule 710	Schedule 710
Line 5, column (j)	= Line 11, column (l)
Line 6, column (j)	= Line 12, column (l)
Line 7, column (j)	= Line 13, column (l)
Line 8, column (j)	= Line 14, column (l)
Line 9, column (j)	= Line 15, column (l)
Line 10, column (j)	= Line 16, column (l)

When data appear in column (j), lines 1 through 8, column (k) should have data on the same lines.

When data appear in columns (k) or (l), lines 36 through 53, and 55, column (m) should have data on the same lines.

NOTES AND REMARKS

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702. MILES OF ROAD AT CLOSE OF YEAR - BY STATES AND TERRITORIES (SINGLE TRACK)

Give particulars, as of the close of the year, of all road operated and of all road owned but not operated. The respondent's proportion of operated road held by it as a joint or common owner, or under a joint lease, or under any joint arrangement, should be shown in columns (b), (c), (d), or (e), as may be appropriate. The remainder of jointly operated mileage should be shown in column (f). Respondent's proportion of road jointly owned but not operated should be shown in column (h), as appropriate. Mileage which has been permanently abandoned should not be included in column (h). Mileage should be reported to the nearest WHOLE mile adjusted in accord with footings; i.e., counting one-half mile and over as a whole mile and disregarding any fraction less than one-half mile.

Mileage should be reported to the nearest WHOLE mile adjusted in accord with footings; i.e., counting one-half mile and over as a whole mile and disregarding any fraction less than one-half mile.

Line No.	Cross Check	State or territory (a)	MILES OF ROAD OPERATED BY RESPONDENT								Line owned, not operated by respondent (h)	New line constructed during year (i)	Line No.
			Line owned (b)	Line of proprietary companies (c)	Line operated under lease (d)	Line operated under contract, etc. (e)	Line operated under trackage rights (f)	Total mileage operated (g)					
1		Alabama	115				129	244		17			1
2		Arizona	595					595					2
3		Arkansas	198				849	1,047					3
4		British Columbia	27				11	38		14			4
5		California	1,155				975	2,130		16			5
6		Colorado	770	96			533	1,399		3			6
7		Idaho	122				1	123		33			7
8		Illinois	1,174			2	376	1,552		5			8
9		Iowa	635				38	673					9
10		Kansas	1,230	3			475	1,708		6			10
11		Kentucky				13	86	99					11
12		Louisiana	237				111	348					12
13		Manitoba		4			69	73					13
14		Minnesota	1,584				102	1,686		3			14
15		Mississippi	166				13	179					15
16		Missouri	1,593				166	1,759		15			16
17		Montana	1,909				18	1,927		792			17
18		Nebraska	1,435				94	1,529					18
19		Nevada					805	805					19
20		New Mexico	896				461	1,357		248			20
21		North Dakota	1,716				16	1,732		730			21
22		Oklahoma	1,039				373	1,412		189			22
23		Oregon	235				151	386		127			23
24		South Dakota	897				28	925					24
25		Tennessee	17				127	144					25
26		Texas	2,567	20			2,354	4,941		100			26
27		Utah					434	434					27
28		Washington	1,506				172	1,678		113			28
29		Wisconsin	287				6	273					29
30		Wyoming	965				5	970		5			30
31													31
32		Total Mileage (Single Track)	23,050	123		15	8,978	32,166		2,416			32

700. MILEAGE OPERATED AT CLOSE OF YEAR

Line No.	Class (a)	Proportion owned or leased by respondent (b)	Running tracks, passing tracks, cross-overs, etc.				Miles of way switching tracks (g)	Miles of yard switching tracks (h)	TOTAL (i)	Line No.
			Miles of road (c)	Miles of second main track (d)	Miles of all other main tracks (e)	Miles of passing tracks, cross-overs, and turnouts (f)				
1	1	100%	22,548	4,479	187	3,233	2,379	5,527	38,353	1
2	1J	75%						5	5	2
3	1J	66.7%						17	17	3
4	1J	50%	500	121	146	51	80	245	1,143	4
5	1J	33.3%	2			1	6	35	44	5
6	1J	25%					1	55	56	6
7	1J	20%								7
8	1J	16.7%								8
9		Total 1J	502	121	146	52	87	357	1,265	9
10										10
11		Total 1 and 1J	23,050	4,600	333	3,285	2,466	5,884	39,618	11
12										12
13	2		123			10	9	25	167	13
14	3							34	34	14
15	4		15			4	1	8	28	15
16	5		8,978	332	26	110	479	156	10,081	16
17										17
57		Grand Total	32,166	4,932	359	3,409	2,955	6,107	49,928	57
58	Miles of electrified road or track included in the preceding grand total		NONE	NONE	NONE	NONE	NONE	NONE	NONE	58

700. CANADIAN MILEAGE OPERATED AT THE CLOSE OF YEAR (INCLUDED IN SCHEDULE 700 ABOVE)

Line No.	Class (a)	Proportion owned or leased by respondent (b)	Running tracks, passing tracks, cross-overs, etc.				Miles of way switching tracks (g)	Miles of yard switching tracks (h)	TOTAL (i)	Line No.
			Miles of road (c)	Miles of second main track (d)	Miles of all other main tracks (e)	Miles of passing tracks, cross-overs, and turnouts (f)				
1	1	100%	22			8	1	18	49	1
2	1J	50%	5						5	2
3		Total 1 and 1J	27			8	1	18	54	3
4	2		4				1	5	10	4
5	5		80	2		5	9		96	5
57	Grand Total Canadian Miles		111	2		13	11	23	160	57

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 700

State particulars of all tracks operated by the respondent at the close of the year, according to the following classifications:

- (1) Line owned by respondent.
- (2) Line owned by proprietary companies.
- (3) Line operated under lease for a specified sum, lessor being (A) an affiliated corporation, or (B) independent or not affiliated with the respondent.
- (4) Line operated under contract or agreement for contingent rent, owner being (A) an affiliated corporation, or (B) independent or not affiliated with the respondent.
- (5) Line operated under trackage rights.

Give subtotals for each of the several numbered classes, in the order listed above, as well as the total for all classes.

Lengths of track should be reported to the nearest WHOLE mile adjusted to accord with footings; i.e., counting one-half mile or over as a whole mile and disregarding any fraction less than one-half mile.

In Column (a) insert the figure (and letter, if any) indicating its class in accordance with the above list of classifications.

In Column (b) give the various proportions of each class owned or leased by respondent, listing each proportion once in any grouping. Canadian mileage should be segregated and identified on separate lines in the various groupings. For each listing, in Column (d) give its entire length (the distances between terminals of single or first main track), and in the following columns the lengths of second main track, all other main tracks, passing tracks, cross-overs and turn-outs, way switching tracks, and yard switching tracks. These classes of tracks are defined as follows:

RUNNING TRACKS - Running tracks, passing tracks, cross-overs, etc., including turn-outs from those tracks to clearance points.

WAY SWITCHING TRACKS - Station, team, industry, and other switching tracks for which no separate service is maintained.

YARD SWITCHING TRACKS - Yard where separate switching services are maintained, including classification, house, team, industry, and other tracks switched by yard locomotives.

The returns in Columns (h) and (i) should include tracks serving industries, such as mines, mills, smelters, factories, etc. Tracks belonging to an industry for which no rent is payable should not be included.

Tracks leading to and in gravel and sand pits and quarries, the cost of which is chargeable to a clearing account and which are used in getting out material for the respondent's use, should not be included.

Class (1) includes all lines operated by the respondent at the close of the year to which it has title in perpetuity.

Class (2) includes each line, full title to which is in an inactive proprietary corporation of the respondent (i.e., one all of whose outstanding stocks or obligations are held by or for the respondent, and which is operated by the respondent or an affiliated system corporation without any accounting to the said proprietary corporation). It may also include such line when the actual title to all of the outstanding stocks or obligations rests in a corporation controlled by or controlling the respondent. But in the case of any such inclusion, the facts of the relationship to the respondent of the corporation holding the securities should be fully set forth in a footnote. An inactive corporation is one which has been practically absorbed in a controlling corporation, and which neither operates property nor administers its financial affairs. If it maintains an organization, it does so only for the purpose of complying with legal requirements and maintaining title to property or franchises.

Class (3) includes all tracks operated under a lease or formal conveyance of less than the grantor's interest in the property, with a specific and unconditional rent reserved. The fact that the lessor does or does not maintain an independent organization for financial purposes is immaterial in this connection.

Class (4) is the same as Class (3), except that the rent reserved is conditional upon earnings or some other fact.

Class (5) includes all tracks operated and maintained by others, but over which the respondent has the right to operate some or all of its trains. In the road of this class, the respondent has no proprietary rights, but only the rights of a licensee. Include in this class, also, on main tracks, industrial tracks and sidings owned by noncarrier companies and individuals when the respondent operates over them but does not have exclusive possession of them.

Road held by respondent as a joint or common owner or a joint lessee or under any joint arrangement should be shown in its appropriate class and the entry of length should be the entire length of the portion jointly held. The class symbol should have the letter (J) attached.

Road operated by the respondent as an agent for another carrier should not be included in this schedule.

512. TRANSACTIONS BETWEEN RESPONDENT AND COMPANIES OR PERSONS AFFILIATED WITH RESPONDENT FOR SERVICES RECEIVED OR PROVIDED (Dollars in Thousands)							Line No.
Line No.	Name of company or related party with percent of gross income (a)	%	Nature of relationship (b)	Description of transactions (c)	Dollar amounts of transactions (d)	Amount due from or to related parties (e)	Line No.
1	Burlington Northern Santa Fe Corporation		Controlled	Services Rendered	24,879	(33,094)	1
2							2
3	Freightwise, Inc		Common			(965)	3
4							4
5	BNSF Insurance Co, Ltd		Common	Insurance Premiums	167,746	23,522	5
6				Claims Paid	117,745	See above	6
7							7
8	BNSF Logistics, LLC		Common	Services Rendered	16	(32)	8
9				Rail Transp. Provided	43,000		9
10				Truck Transp. Purchased	42,000		10
11							11
12	BNSF Logistics International, Inc		Common	Services Rendered		240	12
13							13
14	Meteor Communications Corp		Common			3,246	14
15							15
16							16
17							17
18							18
19							19
20							20
21							21
22							22
23							23
24							24
25							25

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 512

1. Furnish the information called for below between the respondent and the affiliated companies or persons affiliated with the respondent, including officers, directors, stockholders, owners, partners, or their wives and other close relatives, or their agents. Examples of transactions are, but are not restricted to, management, legal, accounting, purchasing, or other types of service including the furnishing of materials, supplies, purchase of equipment, leasing of structures, land and equipment, and agreements relating to allocation of officers' salaries and other common costs between affiliated companies.

To be excluded are payments for the following types of services:

- (a) Lawful tariff charges for transportation services.
- (b) Payments to or from other carriers for interline services and interchange of equipment.
- (c) Payment to or from other carriers which may reasonably be regarded as ordinarily connected with routine operation or maintenance, but any special or unusual transactions should be reported.
- (d) Payments to public utility companies for rates or charges fixed in conformity with government authority.

2. In column (a) enter the name of the affiliated company, person, or agent with which respondent received or provided services aggregating \$50,000 or more during the year. If an affiliated company provides services to more than one affiliate, and the aggregate compensation amounts to \$50,000 or more for the year, list all the affiliates included in the agreement and describe the allocation of charges. If the respondent provides services to more than one affiliate, and the aggregate compensation amounts to \$50,000 or more for the year, reference to this fact should be made and the detail as to the allocation of charges should be stated. For those affiliates providing services to the respondent, also enter in column (a) the percent of affiliate's gross income derived from transactions with respondent.

The respondent may be required to furnish as an attachment to Schedule 512 a balance sheet and income statement for each affiliate with which respondent carrier had reportable transactions during the year, or alternatively, attach a "Pro Forma" balance sheet and income statement for that portion or entity of each affiliate which furnished the agreed to services, equipment, or other reportable transaction. The statements, if required, should be prepared on a calendar year basis in conformity with the prescribed schedules for the balance sheet and income statement in this Annual Report Form R-1, and should be noted (1) to indicate the method used for depreciating equipment or other property furnished to the carrier, and (2) whether the affiliate's Federal income tax return for the year was filed on a consolidated basis with the respondent carrier.

3. In column (b) indicate the nature of the relationship or control between the respondent and the company or person identified in column (a) as follows:

- (a) If respondent directly controls the affiliate, insert the word "direct."
 - (b) If respondent controls through another company, insert the word "indirect."
 - (c) If respondent is under common control with affiliate, insert the word "common."
 - (d) If respondent is controlled directly or indirectly by the company listed in column (a), insert the word "controlled."
 - (e) If control is exercised by other means, such as a management contract or other arrangement of whatever kind, insert the word "other" and provide a footnote to describe such arrangements.
4. In column (c), fully describe the transactions involved such as management fees, lease of building, purchase of material, etc. When the affiliate listed in column (a) provides more than one type of service in column (c), list each type of service separately and show the total for the affiliate. When services are both provided and received between respondent and an affiliate they should be listed separately and the amounts shown separately in column (e).
5. In column (d), report the dollar amounts of transactions shown and the effect of any change in the method of establishing the terms from that used in the preceding period.
6. In column (e), report the dollar amounts due from or to related parties and, if not otherwise apparent, the terms and manner of settlement. Insert (P) for paid or (R) for received by the amount in column (e).

NOTES AND REMARKS

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510. SEPARATION OF DEBTHOLDINGS BETWEEN ROAD PROPERTY AND EQUIPMENT

(Dollars in Thousands)

The principal use of this schedule is to determine the average rate of debt capital.

I. Debt Outstanding at End of Year

Line No.	Account No. (a)	Title (b)	Source (c)	Balance Close of Year (d)
1	751	Loans and notes payable	Sch 200, Line 30	
2	764	Equipment obligations and other long-term debt due within one year	Sch 200, Line 39	253,967
3	765/767	Funded debt unmatured	Sch 200, Line 41	568,219
4	766	Equipment obligations	Sch 200, Line 42	198,065
5	766.5	Capitalized lease obligations	Sch 200, Line 43	1,081,069
6	768	Debt in default	Sch 200, Line 44	
7	769	Accounts payable - affiliated companies	Sch 200, Line 45	
8	770.1/770.2	Unamortized debt premium	Sch 200, Line 46	(26,327)
9		Total debt	Sum of Lines 1 through 8	2,074,993
10		Debt directly related to road property	Note 1	352,884
11		Debt directly related to equipment	Note 1	1,523,192
12		Total debt related to road and equipment	Lines 10 and 11	1,876,076
13		Percent directly related to road	Line 10 /Line 12 Whole % + 2 decimals	18.81%
14		Percent directly related to equipment	Line 11 /Line 12 Whole % + 2 decimals	81.19%
15		Debt not directly related to road and equipment	Line 9 - Line 12	198,917
16		Road property debt (Note 2)	(Line 13 x Line 15) + Line 10	390,300
17		Equipment debt (Note 2)	(Line 14 x Line 15) + Line 11	1,684,693

II. Interest Accrued During the Year

Line No.	Account No. (a)	Title (b)	Source (c)	Balance Close of Year (d)
18	546-548	Total interest and amortization (fixed charges)	Sch. 210, Line 42	101,605
19	546	Contingent interest on funded debt	Sch. 210, Line 44	
20	517	Release of premium on funded debt	Sch. 210, Line 22	
21		Total interest (Note 3)	(Line 18 + Line 19) - Line 20	101,605
22		Interest directly related to road property debt	Note 4	10,067
23		Interest directly related to equipment debt	Note 4	73,874
24		Interest not directly related to road or equipment property debt	Line 21 - (Lines 22 + 23)	17,664
25		Interest on road property debt (Note 5)	Line 22 + (Line 24 x Line 13)	13,390
26		Interest on equipment debt (Note 5)	Line 23 + (Line 24 x Line 14)	88,215
27		Embedded rate of debt capital - road property	Line 25 / Line 16	3.43%
28		Embedded rate of debt capital - equipment	Line 26 / Line 17	5.24%

Note 1: Directly related means the purpose which the funds were used for when the debt was issued.

Note 2: Line 16 plus Line 17 must equal Line 9.

Note 3: Line 21 includes interest on debt in Account 769 - Accounts Payable; Affiliated Companies.

Note 4: This interest relates to debt reported on Lines 10 and 11, respectively.

Note 5: Line 25 plus Line 26 must equal Line 21.

NOTES AND REMARKS

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502. COMPENSATING BALANCES AND SHORT-TERM BORROWING AGREEMENTS

(Dollars in Thousands)

Using the following notes as a guideline, show the requirements of compensating balances and short-term borrowing agreements. Footnote disclosure is required even the arrangement is not reduced to writing.

1. Disclose compensating balances not legally restricted, lines of credit used and unused, average interest rate of short-term borrowings that are outstanding at balance sheet date, maximum amount of outstanding borrowings during the period and the weighted average rate of those borrowings.
2. Time deposits and certificates of deposit constituting compensating balances not legally restricted should be disclosed.
3. Compensating balance arrangements need only be disclosed for the latest fiscal year.
4. Compensating balances included in Account 703, Special Deposits, and in Account 717, Other Funds, should also be separately disclosed below.
5. Compensating balance arrangements are sufficiently material to require disclosure in footnotes when the aggregate of written and oral agreement balances amount to 15% or more of liquid assets (current cash balances, restricted and unrestricted, plus marketable securities).
6. When a carrier is not in compliance with a compensating balance requirement, that fact should be disclosed, along with stated and possible sanctions, whenever such possible sanctions may be immediate (not vague or unpredictable) and material.

1. None
2. None
3. None
4. None
5. None
6. None

501. GUARANTIES AND SURETYSHIPS

(Dollars in Thousands)

1. If the respondent was under obligation as guarantor or surety for the performance by any other corporation or association of any agreement or obligation, show the particulars of each contract of guarantee or suretyship in effect at the close of the year or entered into and expired during the year. This inquiry does not cover the case of ordinary commercial paper maturing on demand or not later than two years after the date of issue. Items of less than \$50,000 may be shown as one total.

Line No.	Names of all parties principally and primarily liable (a)	Description (b)	Amount of contingent liability (c)	Sole or joint contingent liability (d)	Line No.
1	Terminal Railroad Association of St Louis				1
2	BNSF Railway	Sinking Fund and interest	7,787	Joint (Note 1)	2
3	CSX Transportation, Inc.	on Refunding and Improvement			3
4	Illinois Central Gulf Railroad Co.	Mortgage Bonds Series C			4
5	Norfolk and Southern Railway Company	due 7/01/2019			5
6	Union Pacific Railroad Company				6
7	St. Louis Southwestern Railway Company				7
8					8
9	KCT Intermodal Transportation Corporation				9
10	BNSF Railway	6.884% Railway Bridge System Bonds	52,210	Joint	10
11	Union Pacific Railroad Company	Series 1998 Bonds due			11
12		August 1, 2018			12
13					13
14	The Unified Government of Wyandotte County/Kansas City, KS				14
15	BNSF Railway	5.648% Railway Bridge System Bonds			15
16		(KCT Argentine Connection Project)	12,070	Sole (Note 2)	16
17		June 15, 2023			17
18	Westside Intermodal Transportation Corporation				18
19	BNSF Railway	5.648% Railway Bridge System Bonds	38,870	Sole (Note 3)	19
20		(KCT Argentine Connection Project)			20
21		June 15, 2023			21
22					22
23	Kinder Morgan Energy Partners, L.P.		190,000	Sole (Note 4)	23
24	BNSF Railway				24
25					25
26	Other debt and lease guarantees related to various		4,764	Sole	26
27	facilities				27
28					28
29	Residual Value Guarantees		N/A	(Note 5)	29
30					30
31	Note 1: Terminal Railroad Association of St. Louis Mortgage Bonds are fully funded by TRRA through a Sinking fund established with a balance in the				31
32	amount of approximately \$17 million as of December 31, 2008. This fund covers future interest and principal payments through the remainder of the bonds				32
33	term.				33
34	Note 2: At 12/31/08, using the percentage of completion method, \$9 million of the \$12 million was included in schedule 510 as a capital lease.				34
35	Note 3: At 12/31/08, using the percentage of completion method, \$30 million of the \$39 million was included in schedule 510 as a capital lease.				35
36	Note 4: Santa Fe Pacific Pipelines, Inc (SFPP), an indirect, wholly-owned subsidiary of BNSF Railway, has a guarantee in connection with its remaining special				36
37	limited partnership interest in SFPP, L.P. All obligations with respect to the guarantee will cease upon termination of ownership rights which would occur upon				37
38	a put notice issued by BNSF Railway or the exercise of the call rights by the general partners of SFPP, L.P.				38
39	Note 5: Residual value guarantees related to locomotives, vehicles and miscellaneous other equipment. Maximum future payments are estimated to be				39
40	\$271 million. The company has recorded a \$68 million asset and corresponding liability for the fair value of the RVGs as of 12/31/08.				40

2. If any corporation or other association was under obligation as guarantor or surety for the performance by the respondent of any agreement or obligation, show the particulars called for hereunder for each such contract of guaranty or suretyship in effect at the close of the year or entered into and expired during the year. This inquiry does not cover the case of ordinary commercial paper maturing on demand or not later than two years after the date of issue, nor does it include ordinary surety bonds or undertakings on appeals in court proceedings.

Line No.	Finance docket number, title maturity date and concise description of agreement or obligation (a)	Names of all guarantors and sureties (b)	Amount of contingent liability of guarantors (c)	Sole or joint contingent liability (d)	Line No.
1					1
2					2
3		None			3
4					4
5					5
6					6
7					7
8					8
9					9

460. ITEMS IN SELECTED INCOME AND RETAINED EARNINGS ACCOUNTS FOR THE YEAR

(Dollars in Thousands)

Give a brief description for all items, regardless of amount, included during the year in Accounts 555, Unusual or Infrequent Items; 560, Income or Loss From Operations or Discontinued Segments; 562, Gain or Loss on Disposal of Discontinued Segments; 570, Extraordinary Items; 590, Income Taxes on Extraordinary Items; 592, Cumulative Effect of Changes in Accounting Principles; 603, Appropriations Released; 606, Other Credits to Retained Earnings; 616, Other Debits to Retained Earnings; 620, Appropriations for Sinking and Other Funds; and 621, Appropriations for Other Purposes. If appropriations released reflect appropriations provided during the year, each account should not be reported.

For Accounts 519, Miscellaneous Income, and 551, Miscellaneous Income Charges, if the total in either account exceeds 10% of net income before extraordinary items, describe the three largest items in the account and any other items in excess of 10% of net income.

Line No.	Account No. (a)	Item (b)	Debits (c)	Credits (c)	Line No.
1.					1
2	606	Intercompany Notes Receivable from Burlington Northern Santa Fe Corporation *		449,944	2
3					3
4	616	Other Comprehensive Income - BNSF Pension and Retiree Benefits	353,397		4
5	616	Other Comprehensive Income - De Mexico Translation Adjustment	9		5
6	616	Other Comprehensive Income - TTX Pension Plan Adjustments (BNSF's portion)	3,933		6
7	616	Other Comprehensive Income - TTX Unrealized Loss on Securities (BNSF's portion)	1,733		7
8	616	Other Comprehensive Income - Fuel Hedging	304,426		8
9	616	Other Comprehensive Income - Interest Hedging	64		9
10	616	SFAS 158 Adjustment	5,753		10
11	616	TTX SFAS 158 Adjustment (BNSF's portion)	1,302		11
12					12
13					13
14					14
15					15
16					16
17					17
18					18
19					19
20					20
21					21
22					22
23					23
24					24
25					25
26					26
27					27
28					28
29					29

MEMORANDA RELATING TO SELECTED INCOME AND RETAINED EARNINGS ACCOUNTS

* BNSF Railway classified the intercompany note receivable as equity in accordance with GAAP and the BNSF Railway 10-K.

450. ANALYSIS OF TAXES

(Dollars in Thousands)

* Footnotes:

1. If the flow-through method was elected, indicate the net decrease (or increase) in tax accrual because of investment tax credit.	0
If the deferral method for investment tax credit was elected:	
(1) Indicate amount of credit utilized as a reduction of tax liability for current year	N/A
(2) Deduct the amount of the current year's credit applied to reduction of tax liability but deferred for accounting purposes	N/A
(3) Balance of current year's credit used to reduce current year's tax accrual	N/A
(4) Add amount of prior year's deferred credits being amortized to reduce current year's tax accrual	N/A
(5) Total decrease in current year's tax accrual resulting from use of investment tax credits	N/A
2. Estimated amount of future earnings which can be realized before paying Federal income taxes because of unused and available net operating loss carryover on January 1 of the year following that for which the report is made	0

Notes and Remarks:

Adjustment is to reflect income taxes on balance sheet adjustment which, in accordance with generally accepted accounting principles, are not reflected in Railway income tax expense.

Minimum pension liability	\$ (223,037)
Correction to BNSF deMexico	39
SFAS 133 - Fuel hedges	(189,134)
SFAS 133 - Interest hedges	(40)
FIN 48	(6,857)
Total	<u>\$ (419,029)</u>

450. ANALYSIS OF TAXES

(Dollars in Thousands)

A. Railway Taxes

Line No.	Cross Check	Kind of Tax	Amount	Line No.
1		Other than U.S. Government Taxes	387,890	1
		U.S. Government Taxes		
		Income Taxes		
2		Normal Tax and Surtax	866,382	2
3		Excess Profits		3
4		Total - Income Taxes (Lines 2 and 3)	866,382	4
5		Railroad Retirement	528,570	5
6		Hospital Insurance	48,764	6
7		Supplemental Annuities	-	7
8		Unemployment Insurance	14,236	8
9		All Other United States Taxes	-	9
10		Total - U.S. Government Taxes	1,457,952	10
11		Total - Railway Taxes	1,845,842	11

B. Adjustments to Federal Income Taxes

1. In column (a) are listed the particulars which most often cause a differential between taxable income and pretax accounting income. Other particulars which cause such a differential should be listed under the caption "Other (Specify)," including state and other taxes deferred if computed separately. Minor items, each less than \$100,000, may be combined in a single entry under "Other (Specify)."
2. Indicate in column (b) the beginning of year totals of Accounts 714, 744, 762, and 786 applicable to each particular item in column (a).
3. Indicate in column (c) the net changes in Accounts 714, 744, 762, and 786 for the net tax effect of timing differences originating and reversing in the current accounting period.
4. Indicate in column (d) any adjustments, as appropriate, including adjustments to eliminate or reinstate deferred tax effects (credits or debits) due to applying or recognizing a loss carry-forward or a loss carry-back.
5. The total of line 19 in columns (c) and (d) should agree with the total of the contra charges (credits) to Account 557, Provision for Deferred Taxes, and Account 591, Provision for Deferred Taxes - Extraordinary Items, for the current year.
6. Indicate in column (e) the cumulative total of columns (b), (c), and (d). The total of column (e) must agree with the total of Accounts 714, 744, 762, and 786.

Line No.	Particulars (a)	Beginning of year balance (b)	Net credits (charges) for current year (c)	Adjustments (d)	End of year balance (e)	Line No.
1	Deferred debits:					1
2	Accrued liabilities not deductible until paid:					2
3	Hedging	-	(288)	(166,776)	(167,064)	3
4	Casualty and Environmental Costs	(327,850)	(80,705)		(408,555)	4
5	Postretirement benefits	(183,785)	(23,889)	(223,037)	(430,711)	5
6	Employee Merger and Separation Costs	(34,697)	3,649		(31,048)	6
7	Compensation and Benefits	(144,819)	(31,894)		(176,713)	7
8	Other	(247,353)	29,113	(6,818)	(225,058)	8
9	Subtotal	(938,504)	(104,014)	(396,631)	(1,439,149)	9
10	Deferred tax credits:					10
11	Depreciation and Amortization	8,840,913	503,166		9,344,079	11
12	Hedging	22,398	-	(22,398)	-	12
13	Other	177,667	(3,295)		174,372	13
14	Subtotal	9,040,978	499,871	(22,398)	9,518,451	14
15						15
16						16
17						17
18						18
19	TOTALS	8,102,474	395,857	(419,029)	8,079,302	19

NOTES AND REMARKS

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418. SUPPORTING SCHEDULE - CAPITAL LEASES

(Dollars in Thousands)

Instructions:

This schedule will show the investment in capitalized leases in road and equipment by primary account.

Column

- (a) = primary account number and title for which capital lease amounts are included therein.
- (b) = the total investment in that primary account.
- (c) = the investment in capital leases at the end of the year.
- (d) = the current year amortization.
- (e) = the accumulated amortization relating to the leased properties.

Primary Account No. & Title (a)	Total Investment At End of Year (b)	Capital Leases		
		Investment at End of Year (c)	Current Year Amortization (d)	Accumulated Amortization (e)
19 - Fuel Stations	368,707	1,159	38	681
25 - TOFC/COFC	1,018,271	100,793	5,073	9,303
37 - Roadway Machines	505,066	169,029	9,303	20,290
52 - Locomotives	4,207,550	1,511,210	94,437	423,370
53 - Freight-Train Cars	1,517,230	222,336	4,060	4,622
57 - Work Equipment	217,247	20,643	2,167	12,454
58 - Miscellaneous Equipment	373,786	227,893	40,426	103,768

Notes:

- Accumulated Amortization in ICC 52 and 58 from 2007 does not roll to 2008 because of current year retirements. Retirements for 2008 in ICC 52 were \$39,331K and ICC 58 were \$10,501K.

417. SPECIALIZED SERVICE SUBSCHEDULE - TRANSPORTATION

(Dollars in Thousands)

1. Report freight expenses only.
2. Report in lines 1, 2, 3, 4, and 10 the total of those natural expenses (salaries and wages, material, tools, supplies, fuels and lubricants, purchased services, and general) incurred in the operation of each type of specialized service facility. This schedule does not include switching services performed by train and yard crews in connection with or within specialized service facilities.
3. When it is necessary to apportion expenses, such as administrative expenses to two or more services, they shall be apportioned on the most equitable basis available to the respondent and only to the services they support. The total expenses in column (j) should balance with the respective line items in Schedule 410, Railway Operating Expenses.
4. Report in column (b), line 2, the expenses incurred in highway movements of trailers and containers performed at the expense of the reporting railroad within a terminal area for the purpose of pick-up, delivery, or highway interchange service. Report in column (b), line 3, the expenses incurred in operating facilities for handling trailers and/or containers, including storage expenses. See Schedule 755, note R.
5. The operation of floating equipment in line-haul service (between distinct terminals) should be reported in column (c) on line 2. Floating operations conducted within a general terminal or harbor area should be reported in column (c), line 3.
6. Report in column (g), line 3, the expenses incurred by the railroad in loading and unloading automobiles, trucks, etc., to and from bi-level and tri-level auto rack cars. Report on line 2, column (g), the expense incurred by the railroad in moving automobiles, etc., between bi-level and tri-level loading and unloading facilities over the highway to shippers, receivers, or connecting carriers. Report in column (f) operating expenses for land facilities in support of floating operations, including the operation of docks and wharves.
7. Report on line 4, column (b), the expenses relating to heating and refrigeration of TOFC/COFC trailers and containers (total debits and credits). The expenses on line 4, column (h) relate to refrigerator cars only.
8. Report in column (i) total expenses incurred in performing rail substitute service, other highway revenue service, LCL terminal operations, warehouse operations, freight car transloading, grain elevator terminal operations, and livestock feeding operations only.

Line No.	Cross Check	Items (a)	TOFC/COFC terminal (b)	Floating equipment (c)	Coal marine terminal (d)	Ore marine terminal (e)	Other marine terminal (f)	Motor vehicle load & distribution (g)	Protective services refrigerator car (h)	Other special services (i)	Total columns (b) - (i) - (j)	Line No.
1	*	Administration	207			153		3,419			3,779	1
2	*	Pick up and delivery, marine line haul	39,201					1,129			40,330	2
3	*	Loading and unloading and local marine	345,902			2,941		25,503			374,346	3
4	*	Protective services - total debits and credits	545						19,018		19,563	4
5	*	Freight lost or damaged - solely related										5
6	*	Fringe benefits	1,291			1,604		91			2,986	6
7	*	Casualty and insurance	170			211		12			393	7
8	*	Joint facility - debit										8
9	*	Joint facility - credit										9
10	*	Other	50			1		4	3		58	10
11	*	TOTAL	387,366			4,910		30,158	19,021		441,455	11

NOTES AND REMARKS

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416. SUPPORTING SCHEDULE - ROAD
(Dollars in Thousands)

Line No.	Density Category (Class) (a)	Account No. (b)	Owned and Used		Improvements to Leased Property		Capitalized Leases			Total		Line No.
			Investment Base (c)	Accumulated Depreciation (d)	Depr. Rate % (e)	Investment Base (f)	Accumulated Depreciation (g)	Depr. Rate % (h)	Investment Base (i)	Current Year Amortization (j)	Accumulated Amortization (k)	
1	I	3	2,060,788	204,777	1.05%	TOTAL IMPROVEMENTS TO			NO CAPITAL LEASES IN ACCOUNTS 3, 8, 9, 11			1
2		8	3,479,024	1,198,991	5.49%	PROPERTY LEASED FROM						2
3		9	8,275,397	2,226,850	3.30%	OTHERS IS LESS THAN 5%						3
4		11	2,830,658	725,077	4.00%	OF TOTAL PROPERTY OWNED.						4
5		SUB TOTAL	16,645,867	4,355,695								5
6	II	3	270,292	55,610	1.05%							6
7		8	841,710	238,696	4.47%							7
8		9	1,275,767	(3,817)	2.67%							8
9		11	508,682	157,237	3.57%							9
10		SUB TOTAL	2,896,451	447,726								10
11	III	3										11
12		8										12
13		9										13
14		11										14
15		SUB TOTAL										15
16	IV	3	135,784	35,858	1.05%							16
17		8	424,299	208,789	3.86%							17
18		9	900,013	226,720	2.20%							18
19		11	426,414	126,617	2.33%							19
20		SUB TOTAL	1,886,510	597,984								20
21	V	3	33,456	4,901	1.05%							21
22		8	43,067	16,732	3.86%							22
23		9	77,251	3,649	2.20%							23
24		11	20,362	5,780	2.33%							24
25		SUB TOTAL	174,136	31,062								25
26		GRAND TOTAL	21,602,964	5,432,467	N/A							26

Notes:

- (1) The base grand total for owned and used, improvements to leased property, and capitalized leases should equal the sum of Accounts 3, 8, 9, and 11 shown at year end on Schedule 330.
- (2) Columns (c) and (d) include improvements to leased property. Improvements to leased property are not separately included based on the 5% rule.

415. SUPPORTING SCHEDULE - EQUIPMENT - (Continued)

Line No.	Cross Check	Lease & rentals (net) (f)	Investment base as of 12/31		Accumulated depreciation as of 12/31		Line No.
			Owned (g)	Capitalized lease (h)	Owned (i)	Capitalized lease (j)	
1			57,886		21,908		1
2		300,940	2,506,252	1,511,210	1,117,775	423,370	2
3			132,202		118,805		3
4							4
5		300,940	2,696,340	1,511,210	1,258,488	423,370	5
6			68		21		6
7			10,850		2,838		7
8		12,299	98,105		42,170		8
9			90,386		31,695		9
10		40,715	99,596		29,379		10
11		95,565	398,104	125,233	96,826	3,277	11
12			123,471		39,019		12
13		31,890	50,414	9,645	12,405	251	13
14			10,243		3,839		14
15		10,301	99,239		29,807		15
16		77,189	17,417	26,171	6,103		16
17			9,053	28,500	2,316		17
18			2,027		490		18
19		15,976	91,354	32,787	23,797	1,094	19
20		582	14,401		2,640		20
21			12,462		2,556		21
22		15,622	57,199		41,846		22
23			110,505		68,836		23
24		300,139	1,294,894	222,336	436,583	4,622	24
25							25
26		1					26
27							27
28		3,889	7,707				28
29							29
30		15,146	7,447		11,270		30
31							31
32		19,036	15,154		11,270		32
33							33
34							34
35							35
36							36
37			563,604		283,187		37
38			121,200		54,506		38
39			70,169		31,556		39
40		231	21,263		9,563		40
41		(82)	342,497	248,536	168,893	116,222	41
42		149	1,118,733	248,536	547,705	116,222	42
43		620,264	5,125,121	1,982,082	2,254,046	544,214	43

(1) Data reported on lines 38, 39, and 40 in columns (g) and (h) are investment recorded in property account 44, allocated to locomotives, freight cars, and other equipment.

(2) Depreciation reported on lines 38, 39, and 40 in column (c) is calculated by multiplying the investment in each element by the effective composite rate for property account 44, and then adding or subtracting the adjustment reported in column (e). This calculation should equal the amount shown in column (c), Schedule 335.

415. SUPPORTING SCHEDULE - EQUIPMENT

(Dollars in Thousands)

Line No.	Cross Check	Types of equipment (a)	Repairs (net expense) (b)	Depreciation		Amortization Adjustment net during year (e)	Line No.
				Owned (c)	Capitalized lease (d)		
		LOCOMOTIVES					
1		Diesel Locomotives - Yard	30,050	3,603			1
2		Diesel Locomotives - Road	570,959	159,032	94,437		2
3		Other Locomotives - Yard		19,539			3
4		Other Locomotives - Road					4
5	*	TOTAL LOCOMOTIVES	601,009	182,174	94,437		5
		FREIGHT TRAIN CARS					
6		Box - Plain 40 foot		2			6
7		Box - Plain 50 foot and longer	1,617	288			7
8		Box - Equipped	24,523	4,281			8
9		Gondola - Plain	63,162	3,218			9
10		Gondola - Equipped	19,098	2,982			10
11		Hopper - Covered	88,321	10,221	2,907		11
12		Hopper - Open Top - General Service	13,546	3,961			12
13		Hopper - Open Top - Special Service	17,988	1,297	215		13
14		Refrigerator - Mechanical	4,822	390			14
15		Refrigerator - Nonmechanical	2,189	3,026			15
16		Flat - TOFC/COFC	23,000	620			16
17		Flat - Multi-level	254	235			17
18		Flat - General Service	6,408	50			18
19		Flat - Other	17,828	2,581	938		19
20		All Other Freight Cars	33,628	268			20
21		Cabooses	381	259			21
22		Auto Racks		4,248			22
23		Miscellaneous Accessories	476	6,988			23
24	*	TOTAL FREIGHT TRAIN CARS	317,241	44,915	4,060		24
		OTHER EQUIPMENT - REVENUE FREIGHT HIGHWAY EQUIPMENT					
25		Refrigerated Trailers	5,587				25
26		Other Trailers	5,005				26
27		Refrigerated Containers					27
28		Other Containers	583				28
29		Bogies					29
30		Chassis	291	(1,025)			30
31		Other Highway Equipment (Freight)	5,674				31
32	*	TOTAL HIGHWAY EQUIPMENT	17,140	(1,025)			32
		FLOATING EQUIPMENT - REVENUE SERVICE					
33		Marine Line-Haul					33
34		Local Marine					34
35	*	TOTAL FLOATING EQUIPMENT					35
36	*	OTHER EQUIPMENT Passenger & Other Revenue Equipment (Freight Portion)	5,716				36
37	*	Computer Systems & Word Processing Equip.	6,685	71,504			37
38	*	Machinery - Locomotives (1)	3,114	4,812			38
39	*	Machinery - Freight Cars (2)	2,131	2,786			39
40	*	Machinery - Other Equipment (3)	218	844			40
41	*	Work and Other Nonrevenue Equipment	16,104	14,955	42,593		41
42		TOTAL OTHER EQUIPMENT	33,968	94,901	42,593		42
43		TOTAL ALL EQUIPMENT (FREIGHT PORTION)	969,358	320,965	141,090		43

(1) Data reported on line 38, column (b) is the amount reported in Sched. 410, column (f), line 203, reduced by the allocable portion of line 216.

(2) Data reported on line 39, column (b) is the amount reported in Sched. 410, column (f), line 222, reduced by the allocable portion of line 235.

(3) Data reported on line 40, column (b) is the amount reported in Sched. 410, column (f), line 306, reduced by the allocable portion of line 320.

GENERAL INSTRUCTIONS CONCERNING RETURNS TO BE MADE TO SCHEDULE 415

1. Report freight expenses only.
2. Report by type of equipment all natural expenses relating to equipment functions (salaries and wages, materials, tools, supplies, fuels and lubricants, purchased services, and general).
3. Report in column (b) net repair expense, excluding the cost to repair damaged equipment.
Schedule 415, column (b) will balance to Schedule 410, column (f) as follows:
 - (a) Locomotives, line 5 plus line 38, compared to the sum of Schedule 410, lines 202, 203, and 216 (excluding wreck repairs). Do not report in Schedule 415, Equipment Damaged from Schedule 410, line 204.
 - (b) Freight cars, line 24 plus line 39, compared to the sum of Schedule 410, lines 221, 222, and 235 (excluding wreck repairs). Do not report in Schedule 415, Equipment Damaged from Schedule 410, line 223.
 - (c) Sum of highway equipment (line 32), floating equipment (line 35), passenger and other revenue equipment (line 36), computer and data processing equipment (line 37), machinery-other equipment (line 40), and work and other non-revenue equipment (line 41), compared to Schedule 410, the sum of lines 302 through 307, plus line 320 (excluding wreck repairs). Do not report in Schedule 415, equipment damaged from Schedule 410, line 308.

Note: Lines 216, 235, and 320 of Schedule 410 are credit amounts.
The allocation of freight car repair expenses reportable on Schedule 415 by car types shall be in accordance with Instruction 2-21, Freight train repair costing, 49 CFR 1201.
4. Depreciation expense for each class of equipment by car type shall be reported in columns (c) and (d). For improvements on leased property, Accounts 732 and 733, use a supplementary Schedule 415, which will relate to Schedules 340 and 342.
Depreciation charges reported in columns (c) and (d) will balance to Schedule 410, column (f) as follows:
 - (a) Locomotives, lines 5 and 38, compared to Schedule 410, line 213.
 - (b) Freight cars, lines 24 and 39, compared to Schedule 410, line 232.
 - (c) Sum of highway equipment (line 32), floating equipment (line 35), passenger and other revenue equipment (line 36), computer and data processing equipment (line 37), machinery-other equipment (line 40), and work and other non-revenue equipment (line 41), compared to Schedule 410, line 317.
5. Amortization adjustment of each equipment type which is included in column (c) shall be reported in column (e) as a debit or credit to the appropriate line item. The net adjustment on line 43 shall equal the equipment amortization adjustment applicable to equipment used in freight service included in line 39, column (c), of Schedule 335.
6. Lease/rentals reported in column (f) should balance to column (f) of Schedule 410 as follows:
 - (a) Locomotives, lines 5 and 38, compared to Schedule 410, lines 207, 208, 211, and 212.
 - (b) Freight cars, lines 24 and 39, compared to Schedule 410, lines 226 and 227 (note that Schedule 410, lines 230 and 231, are reported in Schedule 415, and are not included in Schedule 415).
 - (c) Sum of lease/rentals for all other equipment, lines 32, 35, 36, 37, 40, and 41, will balance to Schedule 410, lines 311, 312, 315, and 316, except for the interchange rental on trailers and containers which is reported in Schedule 414. Therefore, both Schedules 414 and 415 should be used when balancing lease/rentals other equipment to Schedule 410. Do not report in Schedule 415, the trailer and container rentals reported in Schedule 414.
7. Investment base by types of equipment shall be reported in columns (g) and (h) and should not include the cost of equipment used but not owned when rents therefore are included in the rent for equipment and Account Nos. 31-21-00, 31-22-00, 31-23-00, 35-21-00, 35-22-00, and 35-23-00. It should include the cost of equipment owned and leased to others when the rents are included in the rent for Equipment Account Nos. 32-21-00, 32-22-00, 32-23-00, 36-21-00, 36-22-00, and 36-23-00.
Property used but not owned should also be included when the rent is included in Account Nos. 31-12-00, 31-13-00, 31-21-00, 31-22-00, and 31-23-00, inclusive.
The grand total of each equipment account in column (h) of Schedule 330 should equal the totals of line items constituting the equipment account totals of columns (g) and (h) of Schedule 415.
8. Accumulated depreciation for each class of equipment shall be reported in columns (i) and (j). The grand total of each equipment reserve account in column (g), Schedule 335, shall equal the combined aggregate total accumulated depreciation for line items constituting the corresponding equipment accounts reported in columns (i) and (j), on Schedule 415.

NOTES AND REMARKS

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NOTES AND REMARKS FOR SCHEDULE 210 AND 220

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220. RETAINED EARNINGS

(Dollars in Thousands)

1. Show below the items of retained earnings accounts of the respondent for the year, classified in accordance with the Uniform System of Accounts for Railroad Companies.
2. All contra entries should be shown in parentheses.
3. Show in lines 22 and 23 the amount of assigned Federal income tax consequences for accounts 606 and 616.
4. Segregate in column (c) all amounts applicable to the equity in undistributed earnings (losses) of affiliated companies based on the equity method of accounting.
5. Line 3 (line 7 if a debit balance), column (c), should agree with line 26, column (b), in Schedule 210. The total of columns (b) and (c), lines 3 and 7, should agree with line 61, column (b) in Schedule 210.
6. Include in column (b) only amounts applicable to retained earnings exclusive of any amounts included in column (c).

Line No.	Cross Check	Item	Retained Earnings - Unappropriated (b)	Equity in Undistributed Earnings (Losses) of Affiliated Companies (c)	Line No.
		(a)			
1		Balances at beginning of year	10,712,144	264,981	1
2	(601.5)	Prior period adjustments to beginning retained earnings			2
		CREDITS			
3	(602)	Credit balance transferred from income	2,303,952	19,682	3
4	(603)	Appropriations released			4
5	(606)	Other credits to retained earnings	449,944		5
6		TOTAL CREDITS	2,753,896	19,682	6
		DEBITS			
7	(612)	Debit balance transferred from income			7
8	(616)	Other debits to retained earnings	670,617		8
9	(620)	Appropriations for sinking and other funds			9
10	(621)	Appropriations for other purposes			10
11	(623)	Dividends: Common stock	1,300,000		11
12		Preferred stock (1)			12
13		TOTAL DEBITS	1,970,617		13
14		Net increase (decrease) during year (Line 6 minus line 13)	783,279	19,682	14
15		Balances at close of year (lines 1, 2, and 14)	11,495,423	284,663	15
16		Balances from line 15 (c)	284,663	N/A	16
17	(798)	Total unappropriated retained earnings and equity in undistributed earnings (losses) of affiliated companies at end of year	11,780,086		17
18	(797)	Total appropriated retained earnings:		N/A	18
19		Credits during year \$ 0			19
20		Debits during year \$ 0			20
21		Balance at close of year \$ 0			21
22		Amount of assigned Federal income tax consequences			22
23		Account 606 \$ 0			23
		Account 616 \$ 0			

230. CAPITAL STOCK

PART I. CAPITAL STOCK

(Dollars in Thousands)

- 1 Disclose in column (a) the particulars of the various issues of capital stock of the respondent, distinguishing separate issues of any general class, if different in any respect.
- 2 Present in column (b) the par or stated value of each issue. If none, so state.
- 3 Disclose in columns (c), (d), (e), and (f) the required information concerning the number of shares authorized, issued, in treasury, and outstanding for the various issues.
- 4 For the purposes of this report, capital stock and other securities are considered to be nominally issued when certificates are signed and sealed and placed with the proper officer for sale and delivery or are pledged or otherwise placed in some special fund of the respondent. They are considered to be actually issued when sold to a bona fide purchaser who holds them free from control by the respondent. All securities actually issued and not reacquired by or for the respondent are considered to be actually outstanding. If reacquired by or for the respondent, and not canceled or retired, they are considered to be nominally outstanding.

Line No.	Class of Stock (a)	Par Value (b)	Number of Shares				Book Value at End of Year		Line No.
			Authorized (c)	Issued (d)	In Treasury (e)	Outstanding (f)	Outstanding (g)	In Treasury (h)	
1	Common - BNSF	1,000	1,000	1,000	NONE	1,000	1	NONE	1
2									2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10		1,000	1,000	1,000	NONE	1,000	1	NONE	10

PART II. SUMMARY OF CAPITAL STOCK CHANGES DURING YEAR

(Dollars in Thousands)

- 1 The purpose of this part is to disclose capital stock changes during the year.
- 2 Column (a) presents the items to be disclosed.
- 3 Columns (b), (d), and (f) require disclosure of the number of shares of preferred, common, and treasury stock applicable to the items in column (a).
- 4 Columns (c), (e), and (g) require the disclosure of the book value of preferred, common, and treasury stock.
- 5 Disclose in column (h) the additional paid-in capital realized from changes in capital stock during the year.
- 6 Unusual circumstances arising from changes in capital stock shall be fully explained in footnotes to this schedule.

Line No.	Item (a)	Preferred Stock		Common Stock		Treasury Stock		Additional Capital \$ (h)	Line No.
		No. of Shares (b)	\$ Amount (c)	No. of Shares (d)	\$ Amount (e)	No. of Shares (f)	\$ Amount (g)		
11	Balance at beginning of year	NONE	NONE	1,000	1	NONE	NONE	6,330,942	11
12	Capital stock sold								12
13	Capital stock reacquired								13
14	Capital stock cancelled								14
15	Additional capital for BNSF Acquisition/Merger								15
16									16
17	Balance at close of year	NONE	NONE	1,000	1	NONE	NONE	6,330,942	17

240. STATEMENT OF CASH FLOWS
(Dollars in Thousands)

Give the information as requested concerning the cash flows during the year. Either the direct or indirect method can be used. The direct method shows as its principal components operating cash receipts and payments, such as cash received from customers and cash paid to suppliers and employees, the sum of which is net cash flow from operating activities. The indirect method starts with net income and adjusts it for revenues and expense items that were not the result of operating cash transactions in the current period to reconcile it to net cash flow from operating activities. If the direct method is used, complete lines 1 through 41. If the indirect method is used complete lines 10 through 41. Cash, for the purpose of this schedule, shall include cash and cash equivalents which are short-term, highly liquid investments readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Information about all investing and finance activities which do not directly affect cash shall be separately disclosed in footnotes to this schedule. They shall clearly relate the cash (if any) and noncash aspects of transactions. Examples of noncash investing and transactions include converting debt to equity, acquiring assets by assuming directly related liabilities, such as purchasing a building by incurring a mortgage to the seller; obtaining an asset by entering into a capital lease; and exchanging noncash assets or liabilities for other noncash assets or liabilities. Some transactions are part cash and part noncash; only the cash portion shall be reported directly in the statement of cash flows. Refer to FAS Statement No. 95, Statement of Cash Flows, for further details.

CASH FLOWS FROM OPERATING ACTIVITIES

Line No.	Cross Check	Description (a)	Current Year (b)	Previous Year (c)	Line No.
1		Cash received from operating revenues			1
2		Dividends received from affiliates			2
3		Interest received			3
4		Other income			4
5		Cash paid for operating expenses			5
6		Interest paid (net of amounts capitalized)			6
7		Income taxes paid			7
8		Other - net			8
9		NET CASH PROVIDED BY OPERATING ACTIVITIES (lines 1 through 8)			9

RECONCILIATION OF NET INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES

Line No.	Cross Check	Description (a)	Current Year (b)	Previous Year (c)	Line No.
10		Income from continuing operations	2,323,634	2,155,649	10

ADJUSTMENTS TO RECONCILE INCOME FROM CONTINUING OPERATIONS TO NET CASH PROVIDED BY OPERATING ACTIVITIES

Line No.	Cross Check	Description (a)	Current Year (b)	Previous Year (c)	Line No.
11		Loss (gain) on sale or disposal of tangible property and investments	(9,623)	(30,246)	11
12		Depreciation and amortization expenses	1,419,640	1,328,514	12
13		Net increase (decrease) in provision for Deferred Income Taxes	395,857	275,214	13
14		Net decrease (increase) in undistributed earnings (losses) of affiliates	19,682	19,311	14
15		Decrease (increase) in accounts receivable	(74,309)	(119,805)	15
16		Decrease (increase) in material and supplies and other current assets	27,787	(78,991)	16
17		Increase (decrease) in current liabilities other than debt	(49,915)	(122,787)	17
18		Increase (decrease) in other - net	133,770	98,418	18
19		Net cash provided from continuing operations (lines 10 through 18)	4,186,523	3,525,277	19
20		Add (Subtract) cash generated (paid) by reason of discontinued operations and extraordinary items			20
21		NET CASH PROVIDED FROM OPERATING ACTIVITIES (lines 19 and 20)	4,186,523	3,525,277	21

CASH FLOWS FROM INVESTING ACTIVITIES

Line No.	Cross Check	Description (a)	Current Year (b)	Previous Year (c)	Line No.
22		Proceeds from sale of property	9,623	30,246	22
23		Capital expenditures	(2,222,264)	(2,271,276)	23
24		Net change in temporary cash investments not qualifying as cash equivalents			24
25		Proceeds from sale/repayment of investment and advances			25
26		Purchase price of long-term investment and advances			26
27		Net decrease (increase) in sinking and other special funds			27
28		Other - net	(789,217)	(1,100,060)	28
29		NET CASH USED IN INVESTING ACTIVITIES (lines 22 through 28)	(3,001,858)	(3,341,090)	29

(Continued on next page)

240. STATEMENT OF CASH FLOWS (Concluded)
(Dollars in Thousands)

CASH FLOWS FROM FINANCING ACTIVITIES

Line No.	Cross Check	Description (a)	Current Year (b)	Previous Year (c)	Line No.
30		Proceeds from issuance of long-term debt			30
31		Principal payments of long-term debt	(215,811)	(182,145)	31
32		Proceeds from issuance of capital stock			32
33		Purchase price of acquiring treasury stock			33
34		Cash dividends paid			34
35		Other - net	(783,331)	2,430	35
36		NET CASH FROM FINANCING ACTIVITIES (lines 30 through 35)	(999,142)	(179,715)	36
37		NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (lines 21, 29, and 36)	185,523	4,472	37
38		Cash and cash equivalents at beginning of the year	23,549	19,077	38
39		CASH AND CASH EQUIVALENTS AT END OF THE YEAR (lines 37 & 38)	209,072	23,549	39
		Footnotes to Schedule Cash paid during the year for:			
40		Interest (net of amount capitalized) *	111,088	75,469	40
41		Income taxes (net) *	1,051,591	928,621	41

* Only applies if indirect method is adopted

NOTES AND REMARKS

245. WORKING CAPITAL
(Dollars in Thousands)

1 This schedule should include only data pertaining to railway transportation services.

2 Carry out calculations of lines 9, 10, 20, and 21 to the nearest whole number.

Line No.	Item (a)	Source	Amount (b)	Line No.
CURRENT OPERATING ASSETS				
1	Interline and other balances (705)	Sched. 200, line 5, col. b	120,751	1
2	Customers (706)	Sched. 200, line 6, col. b	606,826	2
3	Other (707)	Note A	75,031	3
4	TOTAL CURRENT OPERATING ASSETS	Lines 1 + 2 + 3	802,608	4
OPERATING REVENUE				
5	Railway operating revenue	Sched. 210, line 13, col. b	18,132,372	5
6	Rent income	Note B	147,129	6
7	TOTAL OPERATING REVENUES	Lines 5 + 6	18,279,501	7
8	Average daily operating revenues	Line 7 + 360 days	50,776	8
9	Days of operating revenue in current operating assets	Line 4 + line 8	16	9
10	Revenue delay days plus buffer	Line 9 + 15 days	31	10
CURRENT OPERATING LIABILITIES				
11	Interline and other balances (752)	Sched. 200, line 31, col. b	52,011	11
12	Audited accounts and wages payable (753)	Sched. 200, line 32, col. b	251,021	12
13	Accounts payable - other (754)	Sched. 200, line 33, col. b	164,527	13
14	Other taxes accrued (761.5)	Note A	190,716	14
15	TOTAL CURRENT OPERATING LIABILITIES	Sum of lines 11 through 14	658,275	15
OPERATING EXPENSES				
16	Railway operating expenses	Sched. 210, line 14, col. b	14,308,669	16
17	Depreciation	Sched 410, lines 136, 137, 138, 213, 232, 317, col. h	1,419,640	17
18	Cash related operating expenses	Line 16 + line 6 - line 17	13,036,158	18
19	Average daily expenditures	Line 18 + 360 days	36,212	19
20	Days of operating expenses in current operating liabilities	Line 15 + line 19	18	20
21	Days of working capital required	Line 10 - line 20 (Note C)	13	21
22	Cash working capital required	Line 21 x line 19	470,756	22
23	Cash and temporary cash balance	Sched. 200, line 1 + line 2, col. b	209,072	23
24	Cash working capital allowed	Lesser of line 22 or line 23	209,072	24
MATERIALS AND SUPPLIES				
25	Total materials and supplies (712)	Sched. 200, line 12, col. b	523,409	25
26	Scrap and obsolete material included in account 712	Note A		26
27	Materials and supplies held for common carrier purposes	Line 25 - line 26	523,409	27
28	TOTAL WORKING CAPITAL	Line 24 + line 27	732,481	28

NOTES:

(A) Use common carrier portion only. Common carrier refers to railway transportation service

(B) Rent income is the sum of Schedule 410, column h, lines 121, 122, 123, 127, 128, 129, 133, 134, 135, 208, 210, 212, 227, 229, 231, 312, 314, and 316. Rent income is added to railway operating revenues to produce total revenues. Rent income is also added to total operating expenses to exclude the rent revenue items from operating expense.

(C) If result is negative, use zero.

NOTES AND REMARKS

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GENERAL INSTRUCTIONS CONCERNING RETURNS IN SCHEDULES 310, 310A

1. Schedule 310 should give particulars of stocks, bonds, other secured obligations, unsecured notes, and investment advances of affiliated companies held by respondent at close of year. Also, disclose the investments made, disposed of, and written down during the year and the applicable dividends and interest credited to income as a result of those investments. They should exclude securities issued or assumed by respondent. For definition of affiliated companies, see the rules governing Account No. 721 "Investments and Advances; Affiliated Companies", in the Uniform System of Accounts for Railroad Companies.

2. List the investments in the following order and show a total for each group and each class of investments by accounts in numerical order:

- (A) Stocks
 - (1) Carriers-active
 - (2) Carriers-inactive
 - (3) Noncarriers-active
 - (4) Noncarriers-inactive
- (B) Bonds (including US government bonds)
- (C) Other secured obligations
- (D) Unsecured notes
- (E) Investment advances

3. The subclassification of classes (B), (C), (D), and (E) should be the same as that provided for class (A).

4. The kinds of industry represented by respondent's investments in the securities of other companies should be shown by symbol opposite the names of the issuing corporations, the symbols and industrial classifications to be as follows:

Symbol	Kind of Industry
I	Agriculture, forestry, and fisheries
II	Mining
III	Construction
IV	Manufacturing
V	Wholesale and retail trade
VI	Finance, insurance, and real estate
VII	Transportation, communications, and other public utilities
VIII	Services
IX	Government
X	All other

5. By carriers, as the term is used here, is meant companies owning or operating railroads, facilities auxiliary thereto such as bridges, ferries, union depots, and other terminal facilities, sleeping cars, parlor cars, dining cars, freight cars, express service and facilities, electric railways, highway motor vehicles, steamboats and other marine transportation equipment, pipe lines (other than those for transportation of water), and other instrumentalities devoted to the transportation of persons or property for hire. Telegraph and telephone companies are not meant to be included.

6. Noncarrier companies should, for the purpose of these schedules, include telephone companies, telegraph companies, mining companies, manufacturing companies, hotel companies, etc. Purely "holding companies" are to be classed as noncarrier companies, even though the securities held by such companies are largely or entirely those issued or assumed by carriers.

7. By an active corporation is meant one which maintains an organization for operating property or administering its financial affairs. An inactive corporation is one which has been practically absorbed in a controlling corporation and which neither operates property nor administers its financial affairs. If it maintains an organization it does so only for the purpose of complying with legal requirements and maintaining title to property or franchises.

8. Combine, in one amount, investments in which the original cost or present equity in total assets is less than \$10,000.

9. Include investments in unincorporated entities such as lessee organizations. Exclude amounts normally settled on a current basis.

10. Do not include the value of securities issued or assumed by respondent.

11. For affiliates which do not report to the Surface Transportation Board and are jointly owned, disclose in footnotes the name and extent of control of the other controlling entities.

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES
(Dollars in Thousands)

1. Give particulars of investments in stocks, bonds, other secured obligations, unsecured notes, and investment advances of companies affiliated with respondent from accounts 715 (sinking funds), 716 (capital funds), 721 (investments and advances affiliated companies), and 717 (other funds).
2. Entries in this schedule should be made in accordance with the definitions and general instructions given on page 25, classifying the investments by means of letters, figures, and symbols in columns (a), (b) and (c).
3. Indicate by means of an arbitrary mark in column (d) the obligation in support of which any security is pledged, mortgaged, or otherwise encumbered. Give names and other important particulars of such obligations in footnotes.
4. Give totals for each class and for each subclass and a grand total for each account.
5. Entries in column (d) should show date of maturity of bonds and other evidence of indebtedness. In case obligations of the same designation mature serially, the date in column (d) may be reported as "Serially _____ to _____." Abbreviations in common use in standard financial publications may be used to conserve space.

Line No.	Account No. (a)	Class No. (b)	Kind of Industry (c)	Name of Issuing Company and also lien reference, if any (include rate for preferred stocks and bonds) (d)	Extent of Control (e)	Line No.
1	721	A-1	VII	Alameda Belt Line	Common	50.00 1
2			VII	Belt Railway Company of Chicago, The	Common	16.67 2
3			VII	Central California Traction Company	Common	33.33 3
4			VII	Central California Traction Company	Preferred	33.33 4
5			VII	Houston Belt & Terminal Railway Company	Common	50.00 5
6			VII	Kansas City Terminal Railway Company	Common	25.00 6
7			VII	Longview Switching Company	Common	50.00 7
8			VII	MT Properties Inc.	Common	43.30 8
9			VII	Oakland Terminal Railway	Common	50.00 9
10			VII	Paducah & Illinois Railroad Company	Common	33.34 10
11			VII	Portland Terminal Railroad Company	Common	40.00 11
12			VII	St. Joseph Terminal Railroad Company	Common	50.00 12
13			VII	Sunset Railway Company	Common	50.00 13
14			VII	Terminal Railroad Association of St. Louis	Common	14.29 14
15			VII	Texas City Terminal Railway Company	Common	33.30 15
16			VII	TTX Company	Common	17.30 16
17			VII	Wichita Union Terminal Railway Company	Common	66.67 17
18				Total Class A-1		18
19						19
20	721	A-3	VII	Railmarketplace.com, Inc.	Preferred	18.85 20
21				Total Class A-3		21
22						22
23	721	D-3	X	Burlington Northern Santa Fe Corporation - BNSF Railway's parent company		23
24				Total Class D-3		24
25						25
26						26
27						27
28						28
29						29
30						30
31						31
32						32
33						33
34						34
35						35
36						36
37						37
38						38
39						39
40						40
41						41
42						42
43						43
44						44
45						45
46						46
47						47
48						48
49						49
50						50

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES - (Continued)
(Dollars in Thousands)

6. If any of the companies included in this schedule are controlled by respondent, the percent of control should be shown in column (e). In case any company listed is controlled other than through actual ownership of securities, give particulars in a footnote. In case of joint control, give names of other parties and particulars of control.
7. If any advances reported are pledged, give particulars in a footnote.
8. Investments in companies in which neither the original cost or present equity in total assets are less than \$10,000 may be combined in one figure.
9. Also include investments in unincorporated entities such as lessee organizations (exclusive of amounts nominally settled on a current basis).
10. This schedule should not include securities issued or assumed by respondent.
11. For affiliates which do not report to the Surface Transportation Board and are jointly owned, give names and extent of control by other entities by footnotes.

Line No.	Investments and Advances				Disposed of profit (loss) (i)	Adjustments Account 721.5 (k)	Dividends or interest credited to income (l)	Line No.
	Opening Balance (f)	Additions (g)	Deductions (if other than sale, explain) (h)	Closing Balance (i)				
1	914			914				1
2	520			520				2
3	1,548			1,548				3
4	264			264				4
5	9			9				5
6	163			163				6
7	2			2				7
8	355			355				8
9	113			113				9
10	3			3				10
11	1,368			1,368				11
12	325			325				12
13	54			54				13
14								14
15	1,405			1,405				15
16	15,961			15,961				16
17	46			46				17
18	23,050	-	-	23,050				18
19								19
20	-	-	-	-				20
21	-	-	-	-				21
22								22
23	456,047	1,308,095	(1,758,039)	6,103	*			23
24	456,047	1,308,095	(1,758,039)	6,103	*			24
25								25
26								26
27								27
28								28
29								29
30								30
31								31
32								32
33								33
34								34
35								35
36								36
37								37
38								38
39								39
40								40
41								41
42								42
43								43
44								44
45								45
46								46
47								47
48								48
49								49
50								50

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES - (Continued)
(Dollars in Thousands)

Line No.	Account No. (a)	Class No. (b)	Kind of Industry (c)	Name of Issuing Company and also lien reference, if any (include rate for preferred stocks and bonds) (d)	Extent of Control (e)	Line No.
1	721	E-1	VII	Alameda Belt Line		1
2			VII	Central California Traction Company		2
3			VII	Houston Belt & Terminal Railway Company		3
4			VII	Kansas City Terminal Railway Company		4
5			VII	Longview Switching Company		5
6			VII	MT Properties Inc.		6
7			VII	Paducah & Illinois Railroad Company		7
8			VII	Port Terminal Railroad Association		8
9			VII	St. Joseph Terminal Railroad Company		9
10			VII	Sunset Railway Company		10
11			VII	Terminal Railroad Association of St. Louis		11
12			VII	Texas City Terminal Railway Company		12
13			VII	Wichita Terminal Association		13
14			VII	Wichita Union Terminal Railway Company		14
15				Total Class E-1		15
16						16
17	721	E-3	X	Kinder Morgan Energy Partners L. P.	0.05	17
18	721	E-3	X	Montauk Synfuels LLC	50.00	18
19				Total Class E-3 X		19
20						20
21				Equity Earning (Loss) - Schedule 310A		21
22						22
23				Grand Total Account 721		23
24						24
25						25
26						26
27						27
28						28
29						29
30						30
31						31
32						32
33						33
34						34
35						35
36						36
37						37

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES - (Concluded)

(Dollars in Thousands)

Line No.	Investments and Advances				Disposed of profit (loss) (j)	Adjustments Account 721.5 (k)	Dividends or interest credited to income (l)	Line No.
	Opening Balance (f)	Additions (g)	Deductions (if other than sale, explain) (h)	Closing Balance (i)				
1	(500)			(500)				1
2	1,494			1,494				2
3	20,732	1,650		22,382				3
4	8,982			8,982				4
5	63			63				5
6	(369)			(369)				6
7	575			575				7
8	1,100			1,100				8
9	191			191				9
10	845			845				10
11								11
12	30			30				12
13	4			4				13
14	844			844				14
15	33,991	1,650	-	35,641				15
16								16
17	4,500			4,500				17
18	-			-				18
19	4,500	-	-	4,500				19
20								20
21	266,126	7,755		273,881				21
22								22
23	783,714	1,317,500	(1,758,039)	343,175 *				23
24								24
25								25
26								26
27								27
28								28
29								29
30								30
31								31
32								32
33								33
34								34
35								35
36								36
37								37

* Includes \$6,103K intercompany note receivable from Burlington Northern Santa Fe Corporation classified as equity in accordance with GAAP and the BNSF Railway 10K

310. NOTES AND REMARKS

		<u>% Ownership</u>
1	ALAMEDA BELT LINE	
	BNSF Railway Company	50.00
	Union Pacific Railroad Company	50.00
		<u>100.00</u>
2	BELT RAILWAY COMPANY OF CHICAGO, THE	
	CSX Transportation, Inc.	25.00
	Norfolk Southern Company	25.00
	BNSF Railway Company	16.67
	Grand Trunk Western Railroad Illinois Central Railroad Company	16.67
	Soo Line Railroad Company	8.33
	Union Pacific Railroad Company	8.33
		<u>100.00</u>
	5,198 shares are held by U.S. Bank, N.A., Trustee, as collateral under the BNI Consolidated Mortgage.	
3	CENTRAL CALIFORNIA TRACTION COMPANY	
	Union Pacific Railroad Company	66.67
	BNSF Railway Company	33.33
		<u>100.00</u>
4	HOUSTON BELT & TERMINAL RAILWAY COMPANY	
	BNSF Railway Company	50.00
	Union Pacific Railroad Company	50.00
		<u>100.00</u>
	121 shares are held by U.S. Bank, N.A., Trustee, as collateral under the BNI Consolidated Mortgage.	
5	KANSAS CITY TERMINAL RAILWAY COMPANY	
	Union Pacific Railroad Company	41.67
	BNSF Railway Company	25.00
	Kansas City Southern Railway Company	16.67
	Iowa & Missouri Railway Company	8.33
	Norfolk Southern Railway Company	8.33
		<u>100.00</u>
	5,485 shares are held by UMB of Kansas City, Missouri, Trustee, under Stock Trust Agreement dated June 12, 1909, and 5 shares are held by U.S. Bank, N.A., Trustee, as collateral under the BNI Consolidated Mortgage.	
6	LONGVIEW SWITCHING COMPANY	
	BNSF Railway Company	50.00
	Union Pacific Railroad Company	50.00
		<u>100.00</u>
7	MT PROPERTIES INC.	
	BNSF Railway Company	43.30
	Union Pacific Railroad Company	42.09
	Soo Line Railroad Company	14.61
		<u>100.00</u>
	30,498 shares are subject to the liens of the BNI Consolidated Mortgage and the NP General Lien Mortgage and held as collateral by U.S. Bank, N.A., Trustee, of the BNI Consolidated Mortgage and Citibank, N.A., Trustee under the NP General Lien Mortgage.	

310. NOTES AND REMARKS

		<u>% Ownership</u>
8	OAKLAND TERMINAL RAILWAY	
	BNSF Railway Company	50.00
	Union Pacific Railroad Company	50.00
		<u>100.00</u>
9	PADUCAH & ILLINOIS RAILROAD COMPANY	
	BNSF Railway Company	33.34
	Paducah & Louisville Railroad Company	33.33
	Canadian National Railroad Company	33.33
		<u>100.00</u>
	33 1/3 shares are held by U.S. Bank, N.A., Trustee, as collateral under the BNI Consolidated Mortgage.	
10	PORTLAND TERMINAL RAILROAD COMPANY	
	Union Pacific Railroad Company	60.00
	BNSF Railway Company	40.00
		<u>100.00</u>
11	ST JOSEPH TERMINAL RAILROAD COMPANY	
	BNSF Railway Company	50.00
	Union Pacific Railroad Company	50.00
		<u>100.00</u>
12	SUNSET RAILWAY COMPANY	
	BNSF Railway Company	50.00
	Union Pacific Railroad Company	50.00
		<u>100.00</u>
13	TERMINAL RAILROAD ASSOCIATION OF ST. LOUIS	
	Missouri Pacific Railroad Company	28.57
	CSX Transportation, Inc.	14.28
	Illinois Central Railroad Company	14.29
	BNSF Railway Company	14.29
	St. Louis Southwestern Railway Company	14.29
	Norfolk Southern Railway Company	14.28
		<u>100.00</u>
	2,058 shares are held by U.S. Bank, N.A., Trustee, as collateral under the BNI Consolidated Mortgage.	
14	TEXAS CITY TERMINAL RAILWAY COMPANY	
	Union Pacific Railroad Company	66.60
	BNSF Railway Company	33.30
	Texas City Terminal Railway Company	0.10
		<u>100.00</u>
15	TTX COMPANY	
	Union Pacific Railroad Company	36.79
	CSX Transportation, Inc.	19.65
	Norfolk Southern Railway Company	19.65
	BNSF Railway Company	17.30
	Canadian National Railway Company	3.14
	Canadian Pacific Limited	1.57
	Guilford Rail System	0.63
	Kansas City Southern Railway Company	0.63
	FXE Railroad	0.64
		<u>100.00</u>
	250 voting shares are held by TTX Company.	

310. NOTES AND REMARKS

		<u>% Ownership</u>
16	WICHITA UNION TERMINAL RAILWAY COMPANY	
	BNSF Railway Company	66.67
	Union Pacific Railroad Company	33.33
		<u>100.00</u>
17	RAILMARKETPLACE.COM, INC.	
	BNSF Railway Company	18.85
	Canadian National Railway Company	18.85
	Canadian Pacific Railway Company	18.85
	CSX Transportation, Inc.	18.85
	Union Pacific Railroad Company	18.85
	GE Information Services, Inc.	5.75
		<u>100.00</u>
18	MONTAUK SYNFUELS, LLC	
	BNSF Railway Company	50.00
	Montauk Energy Capital, Inc.	50.00
		<u>100.00</u>
19	KINDER MORGAN ENERGY PARTNERS L.P.	
	BNSF Railway Company	0.05
	Various	99.95
		<u>100.00</u>

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310A. INVESTMENTS IN COMMON STOCK OF AFFILIATED COMPANIES

(Dollars in Thousands)

Undistributed Earnings From Certain Investments in Affiliated Companies

1. Report below the details of all investments in common stock included in Account 721. Investments and Advances Affiliated Companies.
2. Enter in column (c) the amount necessary to retroactively adjust those investments. (See instruction 5-2, Uniform System of Accounts).
3. Enter in column (d) the share of undistributed earnings (i.e., dividends) or losses.
4. Enter in column (e) the amortization for the year of the excess of cost over equity in net assets (equity over cost) at date of acquisition.
5. For definitions of carrier and noncarrier, see general instructions.

Line No.	Name of issuing company and description of security held (a)	Balance at beginning of year (b)	Adjustments for investments equity method (c)	Equity in undistributed earnings (losses) during year (d)	Amortization during year (e)	Adjustment for investments disposed of or written down during year (f)	Balance at close of year (g)	Line No.
1	Carriers: (List specifics for each company)							
2	Alameda Belt Line	(2,721)		365			(2,356)	1
3	Central California Traction Company	(2,984)					(2,984)	2
4	Houston Belt & Terminal Railway Company	(4,911)		(1,370)			(6,281)	3
5	Kansas City Terminal Railway Company	(4,239)		(270)			(4,509)	4
6	Longview Switching Company	(63)					(63)	5
7	MT Properties Inc.	995		120			1,115	6
8	Oakland Terminal Railway	(1,145)		145			(1,000)	7
9	Paducah & Illinois Railroad Company	(24)					(24)	8
10	Portland Terminal Railroad Company	(810)					(810)	10
11	St. Joseph Terminal Railroad Company	(366)					(366)	11
12	Sunset Railway Company	(144)		99			(45)	12
13	Texas City Terminal Railway Company	11,522		715			12,237	13
14	TTX Company	271,657	(6,968)	14,919			279,608	14
15	Wichita Union Terminal Railway Company	(641)					(641)	15
16								16
17								17
18								18
19	TOTAL CARRIERS	266,126	(6,968)	14,723			273,881	19
20								20
21								21
22	Noncarriers: (List specifics for each company)							22
23								23
24								24
25	TOTAL NONCARRIERS							25
26								26
27	TOTAL INVESTMENTS IN COMMON STOCK	266,126	(6,968)	14,723			273,881	27

Note: Column (d) reflects equity in undistributed earnings (losses) during the year net of \$5M dividends received for Texas City Terminal Railway Company

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 330

1. Give particulars of balances at the beginning and close of the year and of all changes during the year in Account No. 731, "Road and Equipment Property" and Account No. 732, "Improvements on Leased Property" classified by primary accounts in accordance with the Uniform System of Accounts for Railroad Companies. The balances, by primary accounts, should, insofar as known, be stated in column (b) and all changes made during the year should be analyzed in columns (c) to (f), inclusive. Column (g) should be the net of the amounts in columns (c) through (f). Column (h) is the aggregate of columns (b) through (f), inclusive. Grand totals of columns (b) and (h) should equal the sum of Accounts 731 and 732 for the respective periods; if not, a full explanation should be made in a footnote.
2. In column (c), show disbursements made for the specific purpose of purchasing, constructing, and equipping new lines, and for the extension of old lines, as provided for in Instruction 2-1, "Items to be charged" in the Uniform System of Accounts for Railroad Companies for such items.
3. In column (d), show the cost of a railway or portion thereof, acquired as an operating entity or system by purchase, merger, consolidation, reorganization, receivership sale or transfer, or otherwise.
4. Columns (c) and (e) should include all entries covering expenditures for additions and betterments, as defined, whether or not replacing other property.
5. All credits representing property sold, abandoned, or otherwise retires should be shown in column (f).
6. Both the debit and credit involved in each transfer, adjustment, or clearance, between road and equipment accounts, should be included in the column in which the item was initially included. Also, the transfer of prior years' debits or credits from investment in road and equipment to operating expenses or other accounts, or vice versa, should be included in the column applicable to current items of like nature. Each such transfer, adjustment, or clearance should be fully explained when in excess of \$100,000.
7. If during the year an individual charge of \$100,000 or more was made to Account No. 2, "Land for Transportation Purposes," state the cost, location, area, and other details which will identify the property in a footnote.
8. Report on line 29, amounts not included in the primary road accounts. The items reported should be briefly identified and explained under "Notes and Remarks," below. Amounts should be reported on this line only under special circumstances, usually after permission is obtained from the Board for exceptions to prescribed accounting. Reference to such authority should be made when explaining the amounts reported. Respondents must not make arbitrary changes to the printed stub or column headings without specific authority from the Board.
9. If during the year a segment of transportation property was acquired, state in a footnote the name of the vendor, the mileage acquired, and the date of acquisition, giving location and cost of the property to the respondent. Also furnish a statement of the amount included in each primary account representing such property acquired, referring to the column or columns in which the entries appear.
10. If an amount of less than \$5,000 is used as the minimum for additions and betterments to property investment accounts as provided for in Instruction 2-2 of the Uniform System of Accounts for Railroad Companies, state the amount used in a footnote.

NOTES AND REMARKS

330. ROAD PROPERTY AND EQUIPMENT AND IMPROVEMENTS TO LEASED PROPERTY AND EQUIPMENT

(Dollars in Thousands)

Line No.	Cross No.	Account (a)	Balance at Beginning of year (b)	Expenditures during the year for original road & equipment & road extensions (c)	Expenditures during the year for purchase of existing lines, reorganizations, etc. (d)	Line No.
1		(2) Land for transportation purposes	1,747,924			1
2		(3) Grading	2,398,738			2
3		(4) Other right-of-way expenditures	43,116			3
4		(5) Tunnels and subways	106,741			4
5		(6) Bridges, trestles and culverts	2,224,202			5
6		(7) Elevated structures	-			6
7		(8) Ties	4,619,397			7
8		(9) Rail and other track material	9,999,466			8
9		(11) Ballast	3,593,616			9
10		(13) Fences, snowsheds and signs	76,857			10
11		(16) Station and office buildings	654,677			11
12		(17) Roadway buildings	42,539			12
13		(18) Water stations	5,841			13
14		(19) Fuel stations	337,149			14
15		(20) Shops and enginehouses	624,235			15
16		(22) Storage warehouses	-			16
17		(23) Wharves and docks	14,409			17
18		(24) Coal and ore wharves	12,252			18
19		(25) TOFC/COFC terminals	951,149			19
20		(26) Communications systems	892,473			20
21		(27) Signals and interlockers	2,364,219			21
22		(29) Power plants	2,919			22
23		(31) Power transmission systems	30,751			23
24		(35) Miscellaneous structures	39,156			24
25		(37) Roadway machines	443,054			25
26		(39) Public improvements - construction	485,038			26
27		(44) Shop machinery	201,050			27
28		(45) Power plant machinery	3,429			28
29		Other lease/rentals	-			29
30		TOTAL EXPENDITURES FOR ROAD	31,914,397	-	-	30
31		(52) Locomotives	4,005,720			31
32		(53) Freight train cars	1,438,175			32
33		(54) Passenger train cars	-			33
34		(55) Highway revenue equipment	15,154			34
35		(56) Floating equipment	-			35
36		(57) Work equipment	168,860			36
37		(58) Miscellaneous equipment	372,366			37
38		(59) Computer systems & word processing equipment	585,527			38
39		TOTAL EXPENDITURES FOR EQUIPMENT	6,585,802		-	39
40		(76) Interest during construction	107,092			40
41		(80) Other elements of investment	-			41
42		(90) Construction work in progress	517,545			42
43		GRAND TOTAL	39,124,836		-	43

330. ROAD PROPERTY AND EQUIPMENT AND IMPROVEMENTS TO LEASED PROPERTY AND EQUIPMENT - (Continued)

(Dollars in Thousands)

Line No.	Cross No.	Expenditures for additions during the year (e)	Credits for property retired during the year (f)	Net changes during the year (g)	Balance at close of year (h)	Line No.
1		(9,368)	514	(9,882)	1,738,042	1
2		121,991	20,409	101,582	2,500,320	2
3		7,955	794	7,161	50,277	3
4		1,147	147	1,000	107,741	4
5		140,598	11,660	128,938	2,353,140	5
6		-	-	-	-	6
7		312,350	143,647	168,703	4,788,100	7
8		722,782	193,820	528,962	10,528,428	8
9		303,635	111,135	192,500	3,786,116	9
10		6,070	806	5,264	82,121	10
11		9,377	3,016	6,361	661,038	11
12		788	53	735	43,274	12
13		1	7	(6)	5,835	13
14		31,608	50	31,558	368,707	14
15		(1,697)	2,530	(4,227)	620,008	15
16		-	-	-	-	16
17		307	50	257	14,666	17
18		-	-	-	12,252	18
19		68,042	920	67,122	1,018,271	19
20		20,909	3,934	16,975	909,448	20
21		205,580	27,323	178,257	2,542,476	21
22		21	-	21	2,940	22
23		3,671	23	3,648	34,399	23
24		6,020	-	6,020	45,176	24
25		70,848	8,836	62,012	505,066	25
26		44,550	4,695	39,855	524,893	26
27		11,671	89	11,582	212,632	27
28		5	-	5	3,434	28
29		-	-	-	-	29
30		2,078,861	534,458	1,544,403	33,458,800	30
31		280,767	78,937	201,830	4,207,550	31
32		125,474	46,419	79,055	1,517,230	32
33		-	-	-	-	33
34		-	-	-	15,154	34
35		-	-	-	-	35
36		50,071	1,684	48,387	217,247	36
37		33,703	32,283	1,420	373,786	37
38		48,927	70,850	(21,923)	563,604	38
39		538,942	230,173	308,769	6,894,571	39
40		17,096	3,429	13,667	120,759	40
41		-	-	-	-	41
42		203,892	-	203,892	721,437	42
43	-	2,838,791	768,060	2,070,731	41,195,567	43

332. DEPRECIATION BASE AND RATES - ROAD AND EQUIPMENT OWNED AND LEASED FROM OTHERS

(Dollars in Thousands)

1. Show in columns (b) and (e), for each primary account, the depreciation base used to compute depreciation charges for the month of January, and in columns (c) and (f), the depreciation charges for the month of December. In columns (d) and (g) show the composite rates used in computing depreciation charges for December, and on lines 30 and 39 of these columns show the composite percentage for all road and equipment accounts, respectively, ascertained by applying the primary account composite rates to the depreciation base used in computing the charges for December, and dividing that total by the total depreciation base for the same month. The depreciation base should not include cost of equipment used, but not owned, when the rents are included in rent for equipment and account nos. 31-22-00, 31-23-00, 31-25-00, 31-21-00, 35-21-00, 35-23-00, 35-22-00, and 35-25-00. It should include cost of equipment owned and leased to others when the rents therefrom are included in the rent for equipment, accounts nos. 32-21-00, 32-22-00, 32-23-00, 32-25-00, 36-21-00, 36-22-00, 36-23-00, and 36-25-00, inclusive. Composite rates used should be those prescribed or authorized by the Board, except that where the use of component rates has been authorized, the composite rates to be shown for the respective primary accounts should be recomputed from the December charges developed by the use of the authorized rates. If any changes in rates were effective during the year, give particulars in a footnote.
2. All leased property may be combined and one composite rate computed for each primary account, or a separate schedule may be included for each such property.
3. Show in columns (e), (f), and (g) data applicable to lessor property, when the rent therefore is included in accounts nos. 31-11-00, 31-12-00, 31-13-00, 31-21-00, 31-22-00, and 31-23-00, inclusive.
4. If depreciation accruals have been discontinued for any account, the depreciation base should be reported, nevertheless, in support of depreciation reserves. Authority for discontinuance of accruals should be shown in a footnote, indicating the effected account(s).
5. Disclosures in the respective sections of this schedule may be omitted if either total road leased from others or total equipment leased from others represents less than 5% of total road owned or total equipment owned, respectively.

Line No.	Account (a)	OWNED AND USED			LEASED FROM OTHERS			Line No.
		Depreciation Base		Annual composite rate % (d)	Depreciation Base		Annual composite rate % (g)	
		1/1	12/1		At beginning of year (e)	At close of year (f)		
		At beginning of year (b)	At close of year (c)					
	ROAD							
1	(3) Grading	2,398,738	2,470,307	1.09%				1
2	(4) Other right-of-way expenditures	43,116	51,090	2.05%				2
3	(5) Tunnels and subways	106,741	104,548	1.01%				3
4	(6) Bridges, trestles and culverts	2,224,202	2,240,308	1.30%				4
5	(7) Elevated structures	-	-	0.00%				5
6	(8) Ties	4,619,397	4,748,207	2.93%	TOTAL ROAD AND			6
7	(9) Rail and other track material	9,999,466	10,412,006	3.31%				7
8	(11) Ballast	3,593,616	3,822,451	3.61%	EQUIPMENT LEASED FROM			8
9	(13) Fences, snowsheds and signs	76,857	81,715	1.31%				9
10	(16) Station and office buildings	654,677	660,253	2.87%	OTHERS IS LESS THAN 5%			10
11	(17) Roadway buildings	42,539	43,099	3.69%				11
12	(18) Water stations	5,841	5,856	1.91%	OF TOTAL OWNED			12
13	(19) Fuel stations	337,149	368,272	3.49%				13
14	(20) Shops and enginehouses	624,235	617,769	1.85%				14
15	(22) Storage warehouses	-	-	0.00%				15
16	(23) Wharves and docks	14,409	14,655	1.92%				16
17	(24) Coal and ore wharves	12,252	12,252	1.38%				17
18	(25) TOFC/COFC terminals	951,149	864,073	3.12%				18
19	(26) Communications systems	892,473	925,822	4.93%				19
20	(27) Signals and interlockers	2,364,219	2,534,167	3.18%				20
21	(29) Power plants	2,919	2,939	3.88%				21
22	(31) Power transmission systems	30,751	33,824	2.37%				22
23	(35) Miscellaneous structures	39,156	43,909	3.15%				23
24	(37) Roadway machines	443,054	501,708	6.62%				24
25	(39) Public improvements - construction	485,038	523,022	1.93%				25
26	(44) Shop machinery	201,050	209,174	4.57%				26
27	(45) Power plant machinery	3,429	3,434	5.41%				27
28	All other road accounts		-					28
29	Amortization (other than def. projects)		-					29
30	TOTAL ROAD	30,166,473	31,294,860	2.99%				30
	EQUIPMENT							
31	(52) Locomotives	4,005,720	4,162,406	6.93%				31
32	(53) Freight train cars	1,438,175	1,410,677	3.12%				32
33	(54) Passenger train cars	-	-	0.00%				33
34	(55) Highway revenue equipment	15,154	15,154	2.25%				34
35	(56) Floating equipment	-	-	0.00%				35
36	(57) Work equipment	168,860	201,577	2.83%				36
37	(58) Miscellaneous equipment	372,366	385,916	14.42%				37
38	(59) Computer systems & WP equipment	585,527	531,634	13.11%				38
39	TOTAL EQUIPMENT	6,585,802	6,707,364	6.92%				39
40	GRAND TOTAL	36,752,275	38,002,224	N/A			NA	40
Note: Annual composite rate excludes impact of reserve adjustments resulting from the last depreciation reserve study.								

Note: Annual composite rate excludes impact of reserve adjustments resulting from the last depreciation reserve study.

335. ACCUMULATED DEPRECIATION - ROAD AND EQUIPMENT OWNED AND USED

(Dollars in Thousands)

1. Disclose the required information regarding credits and debits to Account No. 735, "Accumulated Depreciation: Road and Equipment Property," during the year relating to owned and used road and equipment. Include entries for depreciation of equipment owned but not used when the resulting rents are included in the "Lease Rentals - Credit - Equipment" accounts and "Other Rents - Credit - Equipment" accounts. Exclude any entries for depreciation of equipment that is used but not owned when the resulting rents are included in "Lease Rental - Debit - Equipment" accounts and "Other Rents - Debit - Equipment" accounts. (See Schedule 351 for accumulated depreciation to road and equipment owned and leased to others.)
2. If any data are included in columns (d) or (f), explain the entries in detail.
3. A debit balance in columns (b) or (g) for any primary account should be designated "Dr."
4. If there is any inconsistency between credits to reserves as shown in column (c) and charges to operating expenses, a full explanation should be given.
5. Enter amounts representing amortization under an authorized amortization program other than for defense projects on lines 29 and 39.

Notes and Remarks

2003 beginning balance includes a reallocation of the purchase accounting balances between property, plant and equipment (PPE) and accumulated depreciation (AD).

Line No.	Cross Check	Account (a)	Balance at beginning of year (b)	CREDITS TO RESERVE		DEBITS TO RESERVE		Balance at close of year (g)	Line No.
				During the year		During the year			
				Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)		
		ROAD							
1		(3) Grading	297,956	28,522	-	25,332		301,146	1
2		(4) Other right-of-way expenditures	8,816	1,029	-	1,000		8,845	2
3		(5) Tunnels and subways	24,720	1,131	-	(3,051)		28,902	3
4		(6) Bridges, trestles and culverts	285,900	30,051	-	11,491		304,460	4
5		(7) Elevated structures	-	-	-	-		-	5
6		(8) Ties	1,582,780	235,372	1,230	156,174		1,663,208	6
7		(9) Rail and other track material	2,227,948	351,384	3,097	129,027		2,453,402	7
8		(11) Ballast	990,860	133,451	1,180	110,780		1,014,711	8
9		(13) Fences, snowsheds and signs	9,731	1,091	-	1,112		9,710	9
10		(16) Station and office buildings	197,624	8,876	7,919	3,127		211,292	10
11		(17) Roadway buildings	19,768	1,596	-	73		21,291	11
12		(18) Water stations	3,935	57	-	6		3,986	12
13		(19) Fuel stations	78,812	11,406	-	74		90,144	13
14		(20) Shops and enginehouses	147,904	6,597	6,286	3,013		157,774	14
15		(22) Storage warehouses	-	-	-	-		-	15
16		(23) Wharves and docks	3,355	290	-	2,617		1,028	16
17		(24) Coal and ore wharves	5,064	209	-	16		5,257	17
18		(25) TOFC/COFC terminals	230,032	27,813	-	1,512		256,333	18
19		(26) Communications systems	257,590	21,359	22,199	67,482		233,666	19
20		(27) Signals and interlockers	409,604	75,521	-	26,466		458,659	20
21		(29) Power plants	2,171	85	-	(3)		2,259	21
22		(31) Power transmission systems	9,917	839	-	31		10,725	22
23		(35) Miscellaneous structures	22,664	1,026	-	(14)		23,704	23
24		(37) Roadway machines	162,613	18,256	11,534	6,872		185,531	24
25		(39) Public improvements - const.	70,184	10,137	-	4,970		75,351	25
26		(44) Shop machinery	87,162	8,442	-	(21)		95,625	26
27		(45) Power plant machinery	105	79	19	(32)		235	27
28		All other road accounts	-	-	-	-		-	28
29		Amortization (adjustments)	-	-	-	-		-	29
30		TOTAL ROAD	7,137,215	974,619	53,464	548,054	-	7,617,244	30
		EQUIPMENT							
31		(52) Locomotives	1,480,768	273,885	2,217	75,012		1,681,858	31
32		(53) Freight train cars	437,768	50,971	58	47,592		441,205	32
33		(54) Passenger train cars	-	-	-	-		-	33
34		(55) Highway revenue equipment	12,067	(1,025)	-	(228)		11,270	34
35		(56) Floating equipment	-	-	-	-		-	35
36		(57) Work equipment	61,762	6,069	1	1,565		66,267	36
37		(58) Miscellaneous equipment	195,686	47,819	6	24,663		218,848	37
38		(59) Computer systems & WP equip.	236,468	71,504	-	24,785		283,187	38
39		Amortization (adjustments)	-	-	-	-		-	39
40		TOTAL EQUIPMENT	2,424,519	449,223	2,282	173,389	-	2,702,635	40
41		GRAND TOTAL	9,561,734	1,423,842	55,746	721,443	-	10,319,879	41

339. ACCRUED LIABILITY - LEASED PROPERTY

(Dollars in Thousands)

1. Disclose the required information relating to credits and debits of Account 772, "Accrued Liability Leased Property," during the year concerning road and equipment leased from others.
2. In column (c), enter amounts charged to operating expenses. In column (e), enter debits to accounts arising from retirements. In column (f), enter amounts paid to lessor.
3. Any inconsistencies between credits to account, charges to operating expenses, and payment to lessors should be fully explained.
4. Required disclosure may be omitted if leased road and equipment property represents 5% or less of total property owned and used.
5. If settlement for depreciation is made currently between lessee and lessor, and no debits or credits to Account No. 772 are made by the accounting company, show in column (c) the charges to operating expenses, and in column (f) show payments made to the lessor in settlement thereof.

Line No.	Cross Check	Account (a)	Balance at beginning of year (b)	CREDITS TO ACCOUNTS During the year		DEBITS TO ACCOUNTS During the year		Balance at close of year (g)	Line No.
				Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)		
		ROAD							
1		(3) Grading							1
2		(4) Other right-of-way expenditures							2
3		(5) Tunnels and subways							3
4		(6) Bridges, trestles and culverts							4
5		(7) Elevated structures							5
6		(8) Ties							6
7		(9) Rail and other track material							7
8		(11) Ballast							8
9		(13) Fences, snowsheds and signs							9
10		(16) Station and office buildings							10
11		(17) Roadway buildings							11
12		(18) Water stations							12
13		(19) Fuel stations		N/A BASED ON 5% RULE					13
14		(20) Shops and enginehouses							14
15		(22) Storage warehouses							15
16		(23) Wharves and docks							16
17		(24) Coal and ore wharves							17
18		(25) TOFC/COFC terminals							18
19		(26) Communications systems							19
20		(27) Signals and interlockers							20
21		(29) Power plants							21
22		(31) Power transmission systems							22
23		(35) Miscellaneous structures							23
24		(37) Roadway machines							24
25		(39) Public improvements - const.							25
26		(44) Shop machinery *							26
27		(45) Power plant machinery							27
28		All other road accounts							28
29		Amortization (adjustments)							29
30		TOTAL ROAD							30
EQUIPMENT									
31		(52) Locomotives							31
32		(53) Freight train cars							32
33		(54) Passenger train cars							33
34		(55) Highway revenue equipment							34
35		(56) Floating equipment							35
36		(57) Work equipment							36
37		(58) Miscellaneous equipment							37
38		(59) Computer systems & WP equip.							38
39		Amortization (adjustments)							39
40		TOTAL EQUIPMENT							40
41			None					None	41

* To be reported with equipment expenses rather than W&S expenses.

340. DEPRECIATION BASE AND RATES-IMPROVEMENTS TO ROAD AND EQUIPMENT LEASED FROM OTHERS

(Dollars in Thousands)

1. Show in column (b) for each primary account the depreciation base used in computing the depreciation charges for the month of January, and in column (c) show the depreciation base used in computing the depreciation charges for the month of December, in column (d) show the composite rates used in computing the depreciation charges for the month of December, and on lines 30 and 40 of these columns show the composite percentage of all road and equipment accounts, respectively, ascertained by applying the primary account composite rates to the depreciation base used in computing the charges for December and dividing the total so computed by the total depreciation base for the same month. This schedule should include only improvements to leased property charged to Account 732, "Improvements on Leased Property." The composite rates used should be those prescribed or otherwise authorized by the Commission, except that where the use of component rates has been authorized, the composite rates to be shown for the respective primary accounts should be recomputed from the December charges developed by the use of authorized rates. If any charges in rates were effective during the year, give full particulars in a footnote.

2. All improvements to leased properties may be combined and one composite rate computed for each primary account, or a separate schedule may be included for each such property.

3. If depreciation accruals have been discontinued for any account, the depreciation base should be reported, nevertheless, in support of depreciation reserves. Authority for the discontinuance of accruals should be shown in a footnote indicating the account(s) affected.

4. Disclosures in the respective sections of this schedule may be omitted if either total road leased from others or total equipment leased from others represents less than 5% of total road owned or total equipment owned, respectively. However, line 41, Grand Total, should be completed.

Line No.	Account (a)	Depreciation base		Annual composite rate (percent) (d)	Line No.
		At beginning of year (b)	At close of year (c)		
	ROAD				
1	(3) Grading				1
2	(4) Other right-of-way expenditures				2
3	(5) Tunnels and subways				3
4	(6) Bridges, trestles, and culverts				4
5	(7) Elevated structures				5
6	(8) Ties				6
7	(9) Rail and other track material				7
8	(11) Ballast				8
9	(13) Fences, snow sheds, and signs				9
10	(16) Station and office buildings				10
11	(17) Roadway buildings				11
12	(18) Water stations	N/A BASED ON 5% RULE			12
13	(19) Fuel stations				13
14	(20) Shops and enginehouses				14
15	(22) Storage warehouses				15
16	(23) Wharves and docks				16
17	(24) Coal and ore wharves				17
18	(25) TOFC/COFC terminals				18
19	(26) Communication systems				19
20	(27) Signals and interlockers				20
21	(29) Power plants				21
22	(31) Power-transmission systems				22
23	(35) Miscellaneous structures				23
24	(37) Roadway machines				24
25	(39) Public improvements - Construction				25
26	(44) Shop machinery				26
27	(45) Power-plant machinery				27
28	All other road accounts				28
29	Amortization (Adjustments)				29
30	TOTAL ROAD				30
	EQUIPMENT				
31	(52) Locomotives				31
32	(53) Freight-train cars				32
33	(54) Passenger-train cars				33
34	(55) Highway revenue equipment				34
35	(56) Floating equipment				35
36	(57) Work equipment				36
37	(58) Miscellaneous equipment				37
38	(59) Computer systems and word processing equip.				38
39	Amortization Adjustments				39
40	TOTAL EQUIPMENT				40
41	GRAND TOTAL	46,038	64,810		41

*To be reported with equipment expenses rather than W&S expenses.

342. ACCUMULATED DEPRECIATION - IMPROVEMENTS TO ROAD AND EQUIPMENT LEASED FROM OTHERS

(Dollars in Thousands)

1. Enter the required information concerning debits and credits to Account 733, "Accumulated Depreciation - Improvements on Leased Property," during the year relating to improvements made to road and equipment property leased from others, the depreciation charges for which are included in operating expenses of the respondent.
2. If any entries are made for column (d) "Other credits" or column (f) "Other debits," state the facts occasioning such entries on page 39. A debit balance in columns (b) or (g) for any primary account should be shown in parenthesis or designated "Dr."
3. Any inconsistency between credits to the reserve as shown in column (c) and charges to operating expenses should be fully explained on page 39.
4. Show in column (e) the debits to the reserve arising from retirements. These debits should not exceed investment, etc.
5. Disclosures in the respective sections of this schedule may be omitted if either total road leased from others or total equipment leased from others represents less than 5% of total road owned or total equipment owned, respectively. However, line 39, Grand Total, should be completed.

Line No.	Cross Check	Account (a)	Balance at beginning of year (b)	CREDITS TO RESERVE During the year		DEBITS TO RESERVE During the year		Balance at close of year (g)	Line No.
				Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)		
		ROAD							
1		(3) Grading							1
2		(4) Other right-of-way expenditures							2
3		(5) Tunnels and subways	TOTAL IMPROVEMENTS TO ROAD LEASED FROM OTHERS IS LESS THAN 5%						
4		(6) Bridges, trestles and culverts	OF TOTAL ROAD OWNED						
5		(7) Elevated structures							5
6		(8) Ties							6
7		(9) Rail and other track material							7
8		(11) Ballast							8
9		(13) Fences, snowsheds and signs							9
10		(16) Station and office buildings							10
11		(17) Roadway buildings							11
12		(18) Water stations							12
13		(19) Fuel stations							13
14		(20) Shops and enginehouses							14
15		(22) Storage warehouses							15
16		(23) Wharves and docks							16
17		(24) Coal and ore wharves							17
18		(25) TOFC/COFC terminals							18
19		(26) Communications systems							19
20		(27) Signals and interlockers							20
21		(29) Power plants							21
22		(31) Power transmission systems							22
23		(35) Miscellaneous structures							23
24		(37) Roadway machines							24
25		(39) Public improvements - const.							25
26		(44) Shop machinery *							26
27		(45) Power plant machinery							27
28		All other road accounts							28
29		TOTAL ROAD							29
		EQUIPMENT							
30		(52) Locomotives							30
31		(53) Freight train cars	TOTAL IMPROVEMENTS TO EQUIPMENT LEASED FROM OTHERS IS LESS THAN						
32		(54) Passenger train cars	5% OF TOTAL EQUIPMENT OWNED						
33		(55) Highway revenue equipment							33
34		(56) Floating equipment							34
35		(57) Work equipment							35
36		(58) Miscellaneous equipment							36
37		(59) Computer systems & WP equip.							37
38		TOTAL EQUIPMENT							38
39		GRAND TOTAL	17,835	11,355	-	144	-	29,046	39

* To be reported with equipment expenses rather than W&S expenses.

NOTES AND REMARKS FOR SCHEDULE 342

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350. DEPRECIATION BASE AND RATES - ROAD AND EQUIPMENT LEASED TO OTHERS

(Dollars in Thousands)

1. This schedule is to be used in cases where the related depreciation reserve is carried in the accounts of the respondent and the rent therefrom is included in Accounts 32-11-00, 32-12-00, 32-13-00, 32-21-00, 32-22-00, and 32-23-00.
2. Show in columns (b) and (c), for each primary account, the depreciation base used in computing the depreciation for the months of January and December, respectively, with respect to road and equipment owned by the respondent but leased to others, the depreciation charges for which are not included in operating expenses of the respondent, but for which the depreciation reserve is recorded in the accounts of the respondent. If the base for road is other than the original cost or estimated original cost as found by the Board's Office of Economic and Environmental Analysis, brought to a current date by the respondent from its Order No. 3 records and accounts, or is other than ledger value for equipment, a full explanation should be given.
3. In column (d) show the composite rates used to compute depreciation for December, and on lines 29 and 38 of this column show the composite percentage of all road and equipment accounts, respectively, ascertained by applying the primary account composite rates to the depreciation base used to compute depreciation for December and dividing the total also computed by the depreciation base.
4. If depreciation accruals have been discontinued for any account, the depreciation base should be reported, nevertheless, in support of depreciation reserves. Authority for discontinuance of accruals should be shown in a footnote, indicating the effected account(s).
5. Disclosures in the respective sections of this schedule may be omitted if either total road leased to others or total equipment leased to others represents less than 5% of total road owned or total equipment owned, respectively. However, line 39, Grand Total, should be completed.

Line No.	Account (a)	Depreciation Base		Annual composite rate (percent) (d)	Line No.
		Beginning of year (b)	Close of year (c)		
	ROAD				
1	(3) Grading	ALL DEPRECIATION EXPENSE FOR OWNED ROAD AND			1
2	(4) Other right-of-way expenditures	EQUIPMENT LEASED TO OTHERS IS RECORDED IN BNSF'S			2
3	(5) Tunnels and subways	OPERATING EXPENSE AND TOTAL ROAD AND EQUIPMENT			3
4	(6) Bridges, trestles and culverts	LEASED TO OTHERS IS LESS THAN 5% OF TOTAL OWNED			4
5	(7) Elevated structures	ROAD AND EQUIPMENT.			5
6	(8) Ties				6
7	(9) Rail and other track material				7
8	(11) Ballast				8
9	(13) Fences, snowsheds and signs				9
10	(16) Station and office buildings				10
11	(17) Roadway buildings				11
12	(18) Water stations				12
13	(19) Fuel stations				13
14	(20) Shops and enginehouses				14
15	(22) Storage warehouses				15
16	(23) Wharves and docks				16
17	(24) Coal and ore wharves				17
18	(25) TOFC/COFC terminals				18
19	(26) Communications systems				19
20	(27) Signals and interlockers				20
21	(29) Power plants				21
22	(31) Power transmission systems				22
23	(35) Miscellaneous structures				23
24	(37) Roadway machines				24
25	(39) Public improvements - const.				25
26	(44) Shop machinery *				26
27	(45) Power plant machinery				27
28	All other road accounts				28
29	TOTAL ROAD				29
	EQUIPMENT				
30	(52) Locomotives				30
31	(53) Freight train cars				31
32	(54) Passenger train cars				32
33	(55) Highway revenue equipment				33
34	(56) Floating equipment				34
35	(57) Work equipment				35
36	(58) Miscellaneous equipment				36
37	(59) Computer systems & WP equip.				37
38	TOTAL EQUIPMENT				38
39	GRAND TOTAL	336,127	332,160		39

* To be reported with equipment expenses rather than W&S expenses.

351. ACCUMULATED DEPRECIATION - ROAD AND EQUIPMENT LEASED TO OTHERS

(Dollars in Thousands)

1. This schedule is to be used in cases where the related depreciation reserve is carried in the accounts of the respondent and the rent therefrom is included in Accounts 32-11-00, 32-12-00, 32-13-00, 32-21-00, 32-22-00, and 32-23-00.

2. Disclose credits and debits to Account 735, "Accumulated Depreciation - Road and Equipment Property," during the year relating to road and equipment leased to others, the depreciation charges for which are not included in operating expenses of the respondent. (See Schedule 330 for the reserve relating to road and equipment owned and used by the respondent.

3. If any entries are made for column (d) "Other credits" or column (f) "Other debits," state the facts occasioning such entries on page 39. A debit balance in columns (b) or (g) for any primary account should be shown in parenthesis or designated "Dr."

4. Disclosures in the respective sections of this schedule may be omitted if either total road leased to others or total equipment leased to others represents less than 5% of total road owned or total equipment owned, respectively. However, line 39, Grand Total, should be completed.

Line No.	Cross Check	Account (a)	Balance at beginning of year (b)	CREDITS TO RESERVE During the year		DEBITS TO RESERVE During the year		Balance at close of year (g)	Line No.
				Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)		
		ROAD							
1		(3) Grading							1
2		(4) Other right-of-way expenditures		TOTAL ROAD LEASED TO OTHERS IS LESS THAN 5%					2
3		(5) Tunnels and subways		OF TOTAL ROAD OWNED.					3
4		(6) Bridges, trestles and culverts							4
5		(7) Elevated structures							5
6		(8) Ties							6
7		(9) Rail and other track material							7
8		(11) Ballast							8
9		(13) Fences, snowsheds and signs							9
10		(16) Station and office buildings							10
11		(17) Roadway buildings							11
12		(18) Water stations							12
13		(19) Fuel stations							13
14		(20) Shops and enginehouses							14
15		(22) Storage warehouses							15
16		(23) Wharves and docks							16
17		(24) Coal and ore wharves							17
18		(25) TOFC/COFC terminals							18
19		(26) Communications systems							19
20		(27) Signals and interlockers							20
21		(29) Power plants							21
22		(31) Power transmission systems							22
23		(35) Miscellaneous structures							23
24		(37) Roadway machines							24
25		(39) Public improvements - const.							25
26		(44) Shop machinery *							26
27		(45) Power plant machinery							27
28		All other road accounts							28
29		TOTAL ROAD							29
		EQUIPMENT							
30		(52) Locomotives							30
31		(53) Freight train cars		TOTAL EQUIPMENT LEASED TO OTHERS IS LESS THAN 5%					31
32		(54) Passenger train cars		OF TOTAL EQUIPMENT OWNED.					32
33		(55) Highway revenue equipment							33
34		(56) Floating equipment							34
35		(57) Work equipment							35
36		(58) Miscellaneous equipment							36
37		(59) Computer systems & WP equip.							37
38		TOTAL EQUIPMENT							38
39		GRAND TOTAL	192,962					205,130	39

* To be reported with equipment expenses rather than W&S expenses.

352A. INVESTMENT IN RAILROAD PROPERTY USED IN TRANSPORTATION SERVICE (By Company)
(Dollars in Thousands)

1. Disclose the investment in railway property used in transportation service at the close of the year. This investment represents the aggregate of property owned or leased by respondent and used in respondent's transportation service. Such property includes (a) investment reported in Accounts 731, "Road and Equipment Property" and 732, "improvements on Leased Property" of respondent, less any 731 or 732 property leased to others for their exclusive use of road, track, or bridges (including equipment or other railway property covered by the contract). Equipment leased to others under separate distinct contracts shall not be deducted from respondent's 731 or 732 property, and (b) the investment of other companies' 731 or 732 property (including operating and lessor railroads) used by respondent when the lease is for exclusive use or control of roads, tracks, or bridges (including equipment or other railway property covered by the contract). This excludes leased equipment from operating railroads under separate distinct contracts and the investment of other carriers in property jointly used by respondent.

2. In column (a), classify each company in this schedule as: "R" for respondent, "L" for lessor railroad, "P" for inactive or proprietary company or "O" for other leased properties.

3. In columns (a) to (e), inclusive, first show the data requested for respondent (R); next show data for companies whose entire properties are used in transportation service of the respondent, divided between lessor (L) and proprietary (P) companies; followed by data for carriers and others (O), portions of whose property are used in transportation service of respondent. Show a total for each class of company in columns (d) and (e). Then show, as deductions, data for transportation property leased to carriers and others.

4. In column (c), line-haul carriers report the miles of road used in line-haul service. Report miles in whole numbers.

5. In column (d), show the amount applicable to Accounts 731 and 732 on the books of companies whose names appear in column (b). Values of property of other carriers segregated by estimate or otherwise should correspond in amount to deductions made by the owners in their reports. If separate value is not available, an explanation should be provided. Differences between amounts shown in column (d) of this schedule and column (c), line 24, on the asset side of the general balance sheet of each individual railway should be explained in a footnote. Book values included in Accounts 731 and 732 of the owner should be reported in column (d) in reference to the investment of respondent in securities of the owner unless a good reason can be given for the contrary. Methods of estimating (by capitalizing rentals at 6% or otherwise) value of property of private owners, or portions of property of other carriers, should be explained.

6. In column (e), show the amount of depreciation and amortization accrued as of the close of the year in Accounts 733, 734, 735, 736, and 772, that is applicable to the property of the carriers whose names are listed in column (b), regardless of where reserves therefor are recorded.

Line No.	Class (See Ins. 2) (a)	Name of company (b)	Miles of road used (See Ins. 4) (whole number) (c)	Investments in property (See Ins. 5) (d)	Depreciation & amortization of defense projects (See Ins. 6) (e)	Line No.
1	R	The Burlington Northern and Santa Fe Railway Company	23,050	41,195,567	10,320,771	1
2		Add Leased from Others:				2
3	O	SP- Klamath Falls, OR - Switch Track & Track				3
4	O	STLSW - Rio to Hampton, TX - 2nd Track		**		4
5	O	U.S. Government - Shelton to Bangor & Bremerton, WA - Track		**		5
6	O	City of Pueblo, CO - Way Switching Tracks at Devine, CO		**		6
7	O	Conrail - Turnouts and Yard Tracks at Chicago		**		7
8	O	UP - Butte to Garrison, MT		**		8
9		Total Leased from Others				9
10						10
11		Deduct Leased to Others:				11
12	O	Timber Rock Railroad (TIBR) - Silsbee, TX Yard	***	11,122	5,572	12
13	O	Portland & Western Railroad (PNWR) - Salem Yard, Albany Yard, Eugene Yard	***	3,107	2,768	13
14	O	Alabama & Gulf Coast Railway (AGR) - Mobile Yard, AL	***	1,490	911	14
15	O	METRA - Aurora, IL Yard	***	536	203	15
16	O	Timber Rock Railroad (TIBR) - Silsbee, TX to Tenaha, TX	129	45,110	24,822	16
17	O	South Kansas and Oklahoma Railroad (SKOL) - Cherokee to Pittsburg, KS	6	280	62	17
18	O	Portland & Western Railroad (PNWR) - Quincy to Eugene, OR	77	14,145	9,220	18
19	O	Burlington Junction (BJRY) - Quincy to Marblehead, IL, Rochelle, IL, Montgomery, IL	10	363	365	19
20	O	Alabama & Gulf Coast Railway (AGR) - Bucks, AL to Mobile, AL	22	243	167	20
21	O	Southwestern - Clovis, NM to Loving, NM	196	37,512	25,012	21
22	O	Southwestern - Rincon, NM to Deming, NM	53	7,338	4,710	22
23	O	OmniTrax - Kettle Falls, WA/BC	53	19,053	10,558	23
24	O	Southwestern - Carlsbad, NM to Eddy Potash	20	9,740	5,879	24
25	O	Watco (KAW) - Birmingham to Kearney, MO	16	3,436	3,021	25
26	O	Mission Mountain Railroad (MMT) - Columbia Falls to Kalispell, MT	16	1,823	1,427	26
27	O	Columbia Basin (CBRW) - Warden, WA to Royal City, WA	41	144	-	27
28	O	Northern Lines (NLR) - St. Cloud to East St. Cloud & St. Cloud to Cold Springs, MN	23	787	372	28
29	O	Yellowstone Valley RR (YSVR) - Barnville to Scobey & Glendive to Snowden, MT	172	25,358	18,789	29
30	O	R.J. Corman - Tennessee Yard (Memphis Terminal) and Airport Park	***	46,718	16,374	30
31	O	Dakota Northern - Grafton to Walhalla & Grafton to Glasston, ND	70	8,604	7,587	31
32	O	Central Washington Railroad - Gibbon, WA to Granger, WA	29	8,091	1,781	32
33	O	Indy - Belle Ayr Mine, Rawhide Mine, and Caballo Rojo Mine	5	6,096	3,454	33
34	O	Tacoma Rail - Lakeview, WA to Nisqually, WA	11	298	304	34
35	O	Minnesota National Guard (MNG) - Little Falls, MN to Camp Riley, MN	8	592	484	35
36	O	Minnesota Commercial Railway Company - E MPLS M&D Jct	10	1,192	1,213	36
37	O	Indy - Red Oak, IA to Griswold, IA	2	101	21	37
38	O	Indy - Red Cloud, NE	3	78	79	38
39	O	Alabama & Gulf Coast Railway (AGR) - Columbus to Whitbury, MS	5	5,490	2,780	39
40	O	Nebraska, Kansas & Colorado Railway (NKCR) - Imperial Sub	48	4,463	4,689	40
41	O	Stillwater Central Railroad (SLWC) - Greig, OK to Wheatland, OK	10	302	278	41
42	O	Union Pacific Railroad (UP) - Marion to Hubert, AR	5	580	312	42
43	O	Canadian National (CN) - Fraser River Jct, BC to Vancouver, BC	15	18,398	6,524	43
44	O	Central Washington Railroad (CWA) - Yakima to Moxee City, WA	11	2,834	1,120	44
45	O	McCloud RR (MCR) - Lookout, CA	6	116	51	45
46	O	CIRY - Chicago, IL Lumber District Yard	***	3,581	2,792	46
47	O	Blue Mountain RR (BLMR) - Wallula Jct, WA to Zanger, WA	4	34	19	47
48	O	Tacoma Rail (TRMW) - Olympia to Belmore, WA & S. Tacoma to Lakeview, WA	17	1,259	813	48
49		Total Leased to Others	1,093	290,374	164,513	49
50						50
51		Deduct Operated by Others:				51
52	O	Grainbelt Corporation	188	11,234	9,335	52
53	O	Red River Valley & Western	681	30,552	31,282	53
54		Total Operated by Others	867	41,786	40,617	54
55		Net Deductions	(1,960)	(332,160)	(205,130)	55
56		TOTAL	21,090	40,863,407	10,115,641	56

** Depreciation not available to respondent.
*** Investment not available to respondent.
*** Miles of road used not available to respondent.

352B. INVESTMENT IN RAILROAD PROPERTY USED IN TRANSPORTATION SERVICE (By Property Account)
(Dollars in Thousands)

1. In columns (b) through (e) give, by primary accounts, the amount of investment at the close of the year in property of respondent and each group or class of companies and properties.
2. The amounts for respondent and for each group or class of companies and properties on line 44 should correspond with the amounts for each class of company and property shown in Schedule 352A. Continuing records shall be maintained by respondent of the primary property accounts separately for each company or property included in this schedule.
3. Report on line 29 amounts representing capitalization of rentals for leased property based on 6% per year where property is not classified by accounts by noncarrier owners, or where the cost of property leased from other carriers is not ascertainable. Identify noncarrier owners, and briefly explain on page 39 the methods of estimating value of property on noncarriers or property of other carriers.
4. Report on line 30 amounts not included in the accounts shown, or on line 29. The items reported should be briefly identified and explained. Also include here those items after permission is obtained from the Board for exceptions to prescribed accounting. Reference to such authority should be made when explaining amounts reported. Respondents must not make arbitrary changes to the printed stub or column headings without specific authority from the Board.

Line No.	Cross Check	Account (a)	Respondent (b)	Lessor Railroads (c)	Inactive (proprie- tary companies) (d)	Other leased properties (e)*	Line No.
1		(2) Land for transportation purposes	1,738,042			(8,259)	1
2		(3) Grading	2,500,320			(17,435)	2
3		(4) Other right-of-way expenditures	50,277			(435)	3
4		(5) Tunnels and subways	107,741			(166)	4
5		(6) Bridges, trestles and culverts	2,353,140			(28,929)	5
6		(7) Elevated structures	-			-	6
7		(8) Ties	4,788,100			(77,772)	7
8		(9) Rail and other track material	10,528,428			(98,595)	8
9		(11) Ballast	3,786,116			(48,909)	9
10		(13) Fences, snowsheds and signs	82,121			(907)	10
11		(16) Station and office buildings	661,038			(2,820)	11
12		(17) Roadway buildings	43,274			(206)	12
13		(18) Water stations	5,835			(32)	13
14		(19) Fuel stations	368,707			(8,024)	14
15		(20) Shops and enginehouses	620,008			(7,100)	15
16		(22) Storage warehouses	-			-	16
17		(23) Wharves and docks	14,666			(14)	17
18		(24) Coal and ore wharves	12,252			-	18
19		(25) TOFC/COFC terminals	1,018,271			(8,348)	19
20		(26) Communications systems	909,448			(1,664)	20
21		(27) Signals and interlockers	2,542,476			(14,536)	21
22		(29) Power plants	2,940			-	22
23		(31) Power transmission systems	34,399			(601)	23
24		(35) Miscellaneous structures	45,176			(343)	24
25		(37) Roadway machines	505,066			-	25
26		(39) Public improvements - construction	524,893			(5,082)	26
27		(44) Shop machinery	212,632			(1,983)	27
28		(45) Power plant machinery	3,434			-	28
29		Leased property (capitalized rentals)				-	29
30		Other (specify and explain)				-	30
31		TOTAL ROAD	33,458,800			(332,160)	31
32		(52) Locomotives	4,207,550			-	32
33		(53) Freight train cars	1,517,230			-	33
34		(54) Passenger train cars	-			-	34
35		(55) Highway revenue equipment	15,154			-	35
36		(56) Floating equipment	-			-	36
37		(57) Work equipment	217,247			-	37
38		(58) Miscellaneous equipment	373,786			-	38
39		(59) Computer systems & WP equipment	563,604			-	39
40		TOTAL EQUIPMENT	6,894,571			-	40
41		(76) Interest during construction	120,759			-	41
42		(80) Other elements of investment	-			-	42
43		(90) Construction work in progress	721,437			-	43
44		GRAND TOTAL	41,195,567			(332,160)	44

* Includes property leased to and operated by others.

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 410

Cross Checks

Schedule 410	Schedule 210	Schedule 410	Schedule 412
Line 620, column (h)	= Line 14, column (b)	Lines 136 through 138, column (f)	= Line 29, column (b)
Line 620, column (f)	= Line 14, column (d)	Lines 118 through 123, and 130	= Line 29, column (c)
Line 620, column (g)	= Line 14, column (e)	through 135, column (f)	
			Schedule 415
Line 231, column (f)	= Line 19, columns (b) through (d)	Lines 207, 208, 211, 212, column (f)	= Lines 5, 38, column (f)
Line 230, column (f)	= Line 19, columns (e) through (g)	Lines 226, 227, column (f)	= Lines 24, 39, column (f)
		Lines 311, 312, 315, 316, column (f)	= Lines 32, 35, 36, 37, 40, 41, column (f)
			And
Line 507, column (f)	= Line 1, column (i)		Schedule 414
Line 508, column (f)	= Line 2, column (i)		Minus line 24, columns (b) through (d)
Line 509, column (f)	= Line 3, column (i)		plus line 24, columns (e) through (g)
Line 510, column (f)	= Line 4, column (i)		Schedule 415
Line 511, column (f)	= Line 5, column (i)	Line 213, column (f)	= Lines 5, 38, columns (c) and (d)
Line 512, column (f)	= Line 6, column (i)	Line 232, column (f)	= Lines 24, 39, columns (c) and (d)
Line 513, column (f)	= Line 7, column (i)	Line 317, column (f)	= Lines 32, 35, 36, 37, 40, 41, columns (c) and (d)
Line 514, column (f)	= Line 8, column (i)		Lines 5, 38, column (b)
Line 515, column (f)	= Line 9, column (i)	Line 202, 203, 216, column (f), equal to or greater than, but variance cannot exceed line 216, column (f)	
Line 516, column (f)	= Line 10, column (i)	Lines 221, 222, 235, column (f), equal to or greater than, but variance cannot exceed line 235, column (f)	Lines 24, 39, column (b)
Line 517, column (f)	= Line 11, column (i)	Lines 302 through 307 and 320, column (f) equal to or greater than, but variance cannot exceed line 320, column (f)	Lines 32, 35, 36, 37, 40, 41, column (b)

410. RAILWAY OPERATING EXPENSES (Dollars in Thousands)										
State the railway operating expenses on respondent's road for the year, classifying them in accordance with the Uniform System of Accounts for Railroad Companies, and allocate the common operating expenses in accordance with the Board's rules governing the separation of such expenses between freight and passenger services.										
Line No.	Cross Check	Name of railway operating expense account	Salaries & Wages (b)	Material, tools, supplies, fuels, & lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)	Passenger (g)	Total (h)	Line No.
		WAYS & STRUCTURES								
		ADMINISTRATION								
1		Track	45,084	13,960	778	5,148	64,970		64,970	1
2		Bridge & building	14,142	4,380	243	1,613	20,378		20,378	2
3		Signal	13,256	4,106	229	1,512	19,103		19,103	3
4		Communication	6,186	1,915	107	710	8,918		8,918	4
5		Other	9,740	3,011	168	1,110	14,029		14,029	5
		REPAIRS AND MAINTENANCE								
6		Roadway - running	36,496	1,168	21,416	2,766	61,846		61,846	6
7		Roadway - switching	10,113	442	5,694	734	16,983		16,983	7
8		Tunnels & subways - running		89	427	4	520		520	8
9		Tunnels & subways - switching		24	114	1	139		139	9
10		Bridges & culverts - running	12,737	1,679	2,903	2,958	20,277		20,277	10
11		Bridges & culverts - switching	3,383	448	770	785	5,386		5,386	11
12		Ties - running	11,544	619	7,485	2,547	22,195		22,195	12
13		Ties - switching	3,070	163	1,989	678	5,900		5,900	13
14		Rail & other track material - running	77,743	26,711	26,071	6,221	136,746		136,746	14
15		Rail & other track material - switching	20,666	7,100	6,930	1,653	36,349		36,349	15
16		Ballast - running	5,994	493	1,757	518	8,762		8,762	16
17		Ballast - switching	1,594	141	467	138	2,340		2,340	17
18		Road property damaged - running	(1)	13			12		12	18
19		Road property damaged - switching		3			3		3	19
20		Road property damaged - other								20
21		Signals & interlockers - running	49,001	7,302	7,768	6,132	70,203		70,203	21
22		Signals & interlockers - switching	13,025	2,259	2,062	1,626	18,972		18,972	22
23		Communications systems	22,740	8,141	(1,062)	443	30,262		30,262	23
24		Power systems	18	1,469	1,634	285	3,406		3,406	24
25		Highway grade crossings - running	1,935	456	548	378	3,317		3,317	25
26		Highway grade crossings - switching	516	140	148	100	904		904	26
27		Station & office buildings	2,062	1,851	19,221	5,311	28,465		28,465	27
28		Shop buildings - locomotives	2,015	2,015	7,958	372	12,360		12,360	28
29		Shop buildings - freight cars	584	582	2,298	108	3,572	N/A	3,572	29
30		Shop buildings - other equipment	1,881	1,879	7,428	347	11,535		11,535	30

410. RAILWAY OPERATING EXPENSES - (Continued)
(Dollars in Thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	Salaries & Wages (b)	Material, tools, supplies, fuels, & lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)	Passenger (g)	Total (h)	Line No.
		REPAIRS AND MAINTENANCE - (Continued)								
101		Locomotive servicing facilities	892	2,705	6,247	2,558	12,402		12,402	101
102		Miscellaneous buildings & structures	8,347	2,303	4,480	236	15,366		15,366	102
103		Coal terminals						N/A		103
104		Ore terminals	303	265	1,556	415	2,539	N/A	2,539	104
105		Other marine terminals	3,593	2	189	9	3,793	N/A	3,793	105
106		TOFC/COFC terminals		132	10,449	2,002	12,583	N/A	12,583	106
107		Motor vehicle loading & distribution facilities						N/A		107
108		Facilities for other specialized service operations						N/A		108
109		Roadway machines	2,048	11,635	2,874	(11)	16,546		16,546	109
110		Small tools & supplies	2	26,230	2,524	2,795	31,551		31,551	110
111		Snow removal	7,226	790	2,349	2,030	12,395		12,395	111
112		Fringe benefits - running	N/A	N/A	N/A	92,491	92,491		92,491	112
113		Fringe benefits - switching	N/A	N/A	N/A	25,285	25,285		25,285	113
114		Fringe benefits - other	N/A	N/A	N/A	14,512	14,512		14,512	114
115		Casualties & insurance - running	N/A	N/A	N/A	40,941	40,941		40,941	115
116		Casualties & insurance - switching	N/A	N/A	N/A	10,708	10,708		10,708	116
117		Casualties & insurance - other	N/A	N/A	N/A	11,337	11,337		11,337	117
118	*	Lease rentals - debit - running	N/A	N/A	1,248	N/A	1,248		1,248	118
119	*	Lease rentals - debit - switching	N/A	N/A	332	N/A	332		332	119
120	*	Lease rentals - debit - other	N/A	N/A	71	N/A	71		71	120
121	*	Lease rentals - (credit) - running	N/A	N/A	96	N/A	96		96	121
122	*	Lease rentals - (credit) - switching	N/A	N/A	26	N/A	26		26	122
123	*	Lease rentals - (credit) - other	N/A	N/A		N/A				123
124		Joint facility rent - debit - running	N/A	N/A	4,401	N/A	4,401		4,401	124
125		Joint facility rent - debit - switching	N/A	N/A	1,134	N/A	1,134		1,134	125
126		Joint facility rent - debit - other	N/A	N/A	1,134	N/A	1,134		1,134	126
127		Joint facility rent - (credit) - running	N/A	N/A	(9,612)	N/A	(9,612)		(9,612)	127
128		Joint facility rent - (credit) - switching	N/A	N/A	(2,476)	N/A	(2,476)		(2,476)	128
129		Joint facility rent - (credit) - other	N/A	N/A	(2,476)	N/A	(2,476)		(2,476)	129
130	*	Other rents - debit - running	N/A	N/A	2,926	N/A	2,926		2,926	130
131	*	Other rents - debit - switching	N/A	N/A	778	N/A	778		778	131
132	*	Other rents - debit - other	N/A	N/A	1,258	N/A	1,258		1,258	132
133	*	Other rents - (credit) - running	N/A	N/A		N/A				133

410. RAILWAY OPERATING EXPENSES - (Continued)
(Dollars in Thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	Salaries & Wages (b)	Material, tools, supplies, fuels, & lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)	Passenger (g)	Total (h)	Line No.
134	*	REPAIRS AND MAINTENANCE - (Continued)								134
135	*	Other rents - (credit) - switching	N/A	N/A		N/A				135
136	*	Other rents - (credit) - other	N/A	N/A		N/A				136
137	*	Depreciation - running	N/A	N/A		566,053	566,053		566,053	137
138	*	Depreciation - switching	N/A	N/A		150,470	150,470		150,470	138
139	*	Depreciation - other	N/A	N/A		241,062	241,062		241,062	139
140		Joint facility - debit - running	N/A	N/A	82,634	N/A	82,634		82,634	140
141		Joint facility - debit - switching	N/A	N/A	21,231	N/A	21,231		21,231	141
142		Joint facility - debit - other	N/A	N/A		N/A				142
143		Joint facility - (credit) - running	N/A	N/A	(47,033)	N/A	(47,033)		(47,033)	143
144		Joint facility - (credit) - switching	N/A	N/A	(12,502)	N/A	(12,502)		(12,502)	144
145		Joint facility - (credit) - other	N/A	N/A		N/A				145
146		Dismantling retired road property - running	27	4	68	6	105		105	146
147		Dismantling retired road property - switching	7	1	18	2	28		28	147
148		Dismantling retired road property - other								148
149		Other - running	18	1,129	1,592	667	3,406		3,406	149
150		Other - switching	4	307	431	1,689	2,431		2,431	150
151		Other - other	4	176	249	104	533		533	151
		TOTAL WAY AND STRUCTURES	388,015	138,238	201,747	1,209,559	1,937,559		1,937,559	151
		EQUIPMENT								
		LOCOMOTIVES								
201		Administration	11,483	8,285	8,923	6,155	34,846		34,846	201
202	*	Repair & maintenance	168,053	130,018	398,824	521	697,416		697,416	202
203	*	Machinery repair	162	2,020	813	119	3,114		3,114	203
204		Equipment damaged	321	469		(605)	185		185	204
205		Fringe benefits	N/A	N/A	N/A	71,980	71,980		71,980	205
206		Other casualties & insurance	N/A	N/A	N/A	14,634	14,634		14,634	206
207	*	Lease rentals - debit	N/A	N/A	301,185	N/A	301,185		301,185	207
208	*	Lease rentals - (credit)	N/A	N/A	(245)	N/A	(245)		(245)	208
209		Joint facility rent - debit	N/A	N/A		N/A				209
210		Joint facility rent - (credit)	N/A	N/A		N/A				210
211	*	Other rents - debit	N/A	N/A		N/A				211
212	*	Other rents - (credit)	N/A	N/A		N/A				212
213	*	Depreciation	N/A	N/A		281,423	281,423		281,423	213
214		Joint facility - debit	N/A	N/A	3,963	N/A	3,963		3,963	214
215		Joint facility - (credit)	N/A	N/A		N/A				215
216	*	Repairs billed to others - (credit)	N/A	N/A	(96,407)	N/A	(96,407)		(96,407)	216

410. RAILWAY OPERATING EXPENSES - (Continued)
(Dollars in Thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	Salaries & Wages (b)	Material, tools, supplies, fuels, & lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)	Passenger (g)	Total (h)	Line No.
217		LOCOMOTIVES - (Continued)								217
218		Dismantling retired property		467	266	210	943		943	218
219		Other	180,019	141,259	617,322	374,437	1,313,037		1,313,037	219
220		TOTAL LOCOMOTIVES								
221		FREIGHT CARS								
222		Administration	7,858	5,670	6,107	4,209	23,844	N/A	23,844	220
223	*	Repair & maintenance	107,634	188,352	145,654	40,896	482,536	N/A	482,536	221
224	*	Machinery repair	111	1,382	556	82	2,131	N/A	2,131	222
225		Equipment damaged	349	65	43	36,848	37,305	N/A	37,305	223
226		Fringe benefits	N/A	N/A	N/A	48,051	48,051	N/A	48,051	224
227	*	Other casualties & insurance	N/A	N/A	N/A	9,474	9,474	N/A	9,474	225
228	*	Lease rentals - debit	N/A	N/A	N/A			N/A		226
229	*	Lease rentals - (credit)	N/A	N/A	309,970		309,970	N/A	309,970	227
230	*	Joint facility rent - debit	N/A	N/A	(9,831)	N/A	(9,831)	N/A	(9,831)	228
231	*	Joint facility rent - (credit)	N/A	N/A		N/A		N/A		229
232	*	Other rents - debit	N/A	N/A	393,945	N/A	393,945	N/A	393,945	230
233	*	Other rents - (credit)	N/A	N/A	(124,592)	N/A	(124,592)	N/A	(124,592)	231
234	*	Depreciation	N/A	N/A	N/A	51,761	51,761	N/A	51,761	232
235	*	Joint facility - debit	N/A	N/A		N/A		N/A		233
236	*	Joint facility - (credit)	N/A	N/A		N/A		N/A		234
237	*	Repairs billed to others - (credit)	N/A	N/A	(165,295)	N/A	(165,295)	N/A	(165,295)	235
238	*	Dismantling retired property						N/A		236
239		Other		327	185	141	653	N/A	653	237
240		TOTAL FREIGHT CARS	115,952	195,796	556,742	191,462	1,059,952	N/A	1,059,952	238
241		OTHER EQUIPMENT								
242		Administration	805	582	641	441	2,469		2,469	301
243	*	Repair & maintenance:								
244	*	Trucks, trailers, & containers - revenue service				(6)		N/A		302
245	*	Floating equipment - revenue service	101	9	17,099		17,203	N/A	17,203	303
246	*	Passenger & other revenue equipment	3,826	2,263		(373)	5,716		5,716	304
247	*	Computers and data processing equipment		(19)	(3)	6,707	6,885		6,885	305
248	*	Machinery	11	140	58	9	218		218	306
249	*	Work & other non-revenue equipment	3,940	5,608	6,512	44	16,104		16,104	307
250	*	Equipment damaged		119	29,351	6	29,476		29,476	308
251	*	Fringe benefits	N/A	N/A	N/A	3,306	3,306		3,306	309
252	*	Other casualties & insurance	N/A	N/A	N/A	955	955		955	310
253	*	Lease rentals - debit	N/A	N/A	N/A					311
254	*	Lease rentals - (credit)	N/A	N/A	18,702		18,702		18,702	312

410. RAILWAY OPERATING EXPENSES - (Continued)

(Dollars in Thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	Salaries & Wages (b)	Material, tools, supplies, fuels, & lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)	Passenger (g)	Total (h)	Line No.
313		OTHER EQUIPMENT (Continued)				N/A				313
314		Joint facility rent - debit	N/A	N/A		N/A				314
315		Joint facility rent - (credit)	N/A	N/A		N/A				315
316		Other rents - debit	N/A	N/A	6	N/A	6			316
317		Other rents - (credit)	N/A	N/A	1,981	N/A	1,981		1,981	317
318		Depreciation	N/A	N/A	N/A	128,871	128,871		128,871	318
319		Joint facility - debit	N/A	N/A	526	N/A	526		526	319
320		Joint facility - (credit)	N/A	N/A	(5,126)	N/A	(5,126)		(5,126)	320
321		Repairs billed to others - (credit)	N/A	N/A	(63)	N/A	(63)		(63)	321
322		Dismantling retired property								322
323		Other		33	19	81	133		133	323
324		TOTAL OTHER EQUIPMENT	8,683	8,735	69,703	140,041	227,162		227,162	324
401		TOTAL EQUIPMENT	304,654	345,790	1,243,767	705,940	2,600,151		2,600,151	401
402		TRANSPORTATION								402
403		Train operations								403
404		Administration	95,635	10,545	25,993	27,208	159,381		159,381	404
405		Engine crews	610,070		75,248		685,318		685,318	405
406		Train crews	568,894		78,433	334	647,661		647,661	406
407		Dispatching trains	44,813		(320)		44,493		44,493	407
408		Operating signals & interlockers		(23)	5,281	2	5,260		5,260	408
409		Operating drawbridges	3,658		12	37	3,707		3,707	409
410		Highway crossing protection	(2)		7,529	2	7,529		7,529	410
411		Train inspection & lubrication	55,820	24	99	61	55,804		55,804	411
412		Locomotive fuel		4,301,493			4,301,493		4,301,493	412
413		Electric power produced or purchased for motive power								413
414		Servicing locomotives	48,569	2,165	(14,329)	23	36,428		36,428	414
415		Freight lost or damaged - solely related	N/A	N/A	N/A					415
416		Clearing wrecks		52		(4)	48		48	416
417		Fringe benefits	N/A	N/A	N/A	478,638	478,638		478,638	417
418		Other casualties & insurance	N/A	N/A	N/A	102,813	102,813		102,813	418
419		Joint facility - debit	N/A	N/A	7,017	N/A	7,017		7,017	419
420		Joint facility - (credit)	N/A	N/A	(2,056)	N/A	(2,056)		(2,056)	420
421		Other	2,118	4,511	600,760	5,092	612,481		612,481	421
422		TOTAL TRAIN OPERATIONS	1,429,375	4,318,767	783,667	614,206	7,146,015		7,146,015	422
423		YARD OPERATIONS								423
424		Administration	8,695	960	2,362	2,475	14,492		14,492	424
425		Switch crews	271,657		42,174		313,831		313,831	425

410. RAILWAY OPERATING EXPENSES - (Continued) (Dollars in Thousands)										
Line No.	Cross Check	Name of railway operating expense account (a)	Salaries & Wages (b)	Material, tools, supplies, fuels, & lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)	Passenger (g)	Total (h)	Line No.
YARD OPERATIONS (Continued)										
422		Controlling operations	31,679		959		32,638		32,638	422
423		Yard and terminal clerical	1,484	1,273	1,902		4,659		4,659	423
424		Operating switches, signals, retarders, & humps				399	399		399	424
425		Locomotive fuel		165,734			165,734		165,734	425
426		Electric power electric power produced or purchased for motive power								426
427		Servicing locomotives	10,526	15		10	10,551		10,551	427
428		Freight lost or damaged - solely related	N/A	N/A	N/A					428
429		Clearing wrecks		83	88,263		88,346		88,346	429
430		Fringe benefits	N/A	N/A	N/A	125,727	125,727		125,727	430
431		Other casualties & insurance	N/A	N/A	N/A	22,870	22,870		22,870	431
432		Joint facility - debit	N/A	N/A	24,960		24,960		24,960	432
433		Joint facility - (credit)	N/A	N/A	(2,471)		(2,471)		(2,471)	433
434		Other	(12)	107	460	29	584		584	434
435		TOTAL YARD OPERATIONS	324,029	168,172	158,609	151,510	802,320		802,320	435
TRAIN & YARD OPERATIONS COMMON:										
501		Cleaning car interiors	2,041		5,799	N/A	7,840		7,840	501
502		Adjusting & transferring loads		1	3,415	N/A	3,416	N/A	3,416	502
503		Car loading devices & grain docks				N/A		N/A		503
504		Freight lost or damaged - all other	N/A	N/A	N/A	28,061	28,061		28,061	504
505		Fringe benefits	N/A	N/A	N/A	906	906		906	505
506		TOTAL TRAIN & YARD OPERATIONS COMMON:	2,041	1	9,214	28,967	40,223		40,223	506
SPECIALIZED SERVICE OPERATIONS										
507	*	Administration	2,176	236	747	620	3,779	N/A	3,779	507
508	*	Pickup & delivery and marine line haul		854	39,122	354	40,330	N/A	40,330	508
509	*	Loading & unloading and local marine		27,900	338,374	8,072	374,346	N/A	374,346	509
510	*	Protective services	956	17,919	500	188	19,563	N/A	19,563	510
511	*	Freight lost or damaged - solely related	N/A	N/A	N/A			N/A		511
512	*	Fringe benefits	N/A	N/A	N/A	2,986	2,986	N/A	2,986	512
513	*	Casualties & insurance	N/A	N/A	N/A	393	393	N/A	393	513
514	*	Joint facility - debit	N/A	N/A		N/A		N/A		514
515	*	Joint facility - (credit)	N/A	N/A		N/A		N/A		515
516	*	Other		8	50		58	N/A	58	516
517	*	TOTAL SPECIALIZED SERVICE OPERATIONS	3,132	46,917	378,793	12,613	441,455	N/A	441,455	517

410. RAILWAY OPERATING EXPENSES - (Continued)
(Dollars in Thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	Salaries & Wages (b)	Material, tools, supplies, fuels, & lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)	Passenger (g)	Total (h)	Line No.
518		ADMINISTRATIVE support OPERATIONS:								518
519		Administration	111,180	12,223	30,124	36,389	189,916		189,916	519
520		Employees performing clerical & accounting function	15,555	913	7,108	822	24,396		24,396	520
521		Communication systems operations	694	231	20,258	838	22,021		22,021	521
522		Loss & damage claims processing								522
523		Fringe benefits	N/A	N/A	N/A	31,302	31,302		31,302	523
524		Casualties & insurance	N/A	N/A	N/A	9,169	9,169		9,169	524
525		Joint facility - debit	N/A	N/A		N/A				525
526		Joint facility - (credit)	N/A	N/A		N/A				526
527		Other		399	296		695		695	527
528		TOTAL ADMINISTRATIVE support OPERATIONS	127,429	13,766	57,784	78,520	277,499		277,499	528
601		GENERAL AND ADMINISTRATIVE								601
602		Officers - general administration	19,188	3,265	50,330	49,216	121,999		121,999	602
603		Accounting, auditing, & finance	47,754	1,386	2,980	3,186	55,306		55,306	603
604		Management services & data processing	30,631	1,302	107,778	1,738	141,449		141,449	604
605		Marketing	37,087	901	6,154	5,506	49,648		49,648	605
606		Sales	37,087	901	6,154	5,506	49,648		49,648	606
607		Industrial development	2,461	21	1,916	821	5,219	N/A	5,219	607
608		Personnel & labor relations	28,214	(92)	1,089	933	30,144		30,144	608
609		Legal & secretarial	20,464	4,304	47,471	3,466	75,705		75,705	609
610		Public relations & advertising	2,618	553	1,329	1,498	5,998		5,998	610
611		Research & development								611
612		Fringe benefits	N/A	N/A	N/A	98,476	98,476		98,476	612
613		Casualties & insurance	N/A	N/A	N/A	2,259	2,259		2,259	613
614		Writedown of uncollectible accounts	N/A	N/A	N/A	26,657	26,657		26,657	614
615		Property taxes	N/A	N/A	N/A	181,823	181,823		181,823	615
616		Other taxes except on corporate income or payroll	N/A	N/A	N/A	34,752	34,752		34,752	616
617		Joint facility - debit	N/A	N/A	N/A					617
618		Joint facility - (credit)	N/A	N/A	2,998		2,998		2,998	618
619		Other	50,586	1,141	(398)		(398)		(398)	619
620		TOTAL GENERAL AND ADMINISTRATIVE	276,090	13,682	234,268	539,407	1,063,447		1,063,447	620
620	*	TOTAL CARRIER OPERATING EXPENSE	2,854,765	5,045,333	3,067,849	3,340,722	14,308,669		14,308,669	620

412. WAY AND STRUCTURES

(Dollars in Thousands)

1. Report freight expenses only.
2. The total depreciation expense reported in column (b), line 29, should balance to the sum of the depreciation expense reported in Schedule 410, column (f), lines 136, 137, and 138.
3. Report in column (c) the lease/rentals for the various property categories of way and structures. The total lease/rentals reported in column (c), line 29, should balance the net amount reported in Schedule 410, column (f), lines 118 through 123, plus lines 130 through 135. If an entire road or segment of track is leased and if the actual breakdown of lease/rentals by property category is not known, apportion the lease/rentals based on the percentage of the categories' depreciation bases for all categories of depreciable leased property. Use Schedule 352B of this report to obtain the depreciation bases of the categories of leased property.
4. Amortization adjustment of each road property type which is included in column (b) shall be repeated in column (d) as a debit or credit to the appropriate line item. The net adjustment on line 29, shall equal the adjustment reported on line 29 of Schedule 335.
5. Report on line 28, all other lease rentals not apportioned in any category listed on lines 1 through 27.
6. Line 11, Account 16, should not include computer and data processing equipment reported on line 37 of Schedule 415.

Line No.	Cross Check	Property Account	Category (a)	Depreciation (b)	Lease/rentals (net) (c)	Amortization adjustment during year (d)	Line No.
1		2	Land for transportation purposes	-			1
2		3	Grading	28,521			2
3		4	Other right-of-way expenditures	1,029			3
4		5	Tunnels and subways	1,131			4
5		6	Bridges, trestles and culverts	29,742			5
6		7	Elevated structures	-			6
7		8	Ties	232,953			7
8		9	Rail and other track material	347,772			8
9		11	Ballast	132,080			9
10		13	Fences, snowsheds and signs	1,092			10
11		16	Station and office buildings	8,876			11
12		17	Roadway buildings	1,596			12
13		18	Water stations	57			13
14		19	Fuel stations	11,406			14
15		20	Shops and enginehouses	6,597			15
16		22	Storage warehouses	-			16
17		23	Wharves and docks	290			17
18		24	Coal and ore wharves	209			18
19		25	TOFC/COFC terminals	27,813			19
20		26	Communications systems	21,359			20
21		27	Signals and interlockers	74,745			21
22		29	Power plants	85			22
23		31	Power transmission systems	839			23
24		35	Miscellaneous structures	1,026			24
25		37	Roadway machines	18,256			25
26		39	Public improvements, construction	10,032			26
27		45	Power plant machines	79			27
28			Other lease/rentals		6,735	N/A	28
29			TOTAL	957,585	6,735		29

414. RENTS FOR INTERCHANGED FREIGHT TRAIN CARS AND OTHER FREIGHT CARRYING EQUIPMENT

(Dollars in Thousands)

1. Report freight expenses only.
2. Report in this supporting schedule rental information by car type and other freight-carrying equipment relating to the interchange of railroad owned or leased equipment and privately owned equipment. (Reporting for leased equipment covers equipment with the carrier's own railroad markings.)
3. The gross amounts receivable and payable for freight-train cars (line 19, columns (b) through (d), and line 19, columns (e) through (g), respectively) should balance with Schedule 410, column (f) lines 231 (credits) and 230 (debits). Trailer and container rentals in this schedule are included in Schedule 410, column (f) lines 315 and 316. However, the trailer and container rentals in this schedule will not balance to lines 315 and 316 of Schedule 410 because those lines include rentals for "Other Equipment" which is reported in Schedule 415, column (f). The balancing of Schedules 410, 414, and 415 "Other Equipment" is outlined in note 6 to Schedule 415.
4. Report in columns (b) and (e) rentals for private-line cars (whether under railroad control or not) and shipper owned cars.
5. Report in columns (c), (d), (f), and (g) rentals for railroad owned cars prescribed by the Board in Ex Part No. 334, for which rentals are settled on a combination mileage and time basis (basic per diem). Include railroad owned per diem tank cars on line 17.

NOTE: Mechanical designations for each car type are shown in Schedule 710.

Line No.	Cross Check	Type of Equipment (a)	GROSS AMOUNTS RECEIVABLE Per Diem Basis			GROSS AMOUNTS PAYABLE Per Diem Basis			Line No.
			Private Line Cars (b)	Mileage (c)	Time (d)	Private Line Cars (e)	Mileage (f)	Time (g)	
CAR TYPES									
1		Box - Plain 40 Foot	-						1
2		Box - Plain 50 Foot and Longer	-	-	2	3,123	1,404	3,093	2
3		Box - Equipped	-	3,337	10,042	11,796	12,691	29,085	3
4		Gondola - Plain	-	523	553	1,434	1,255	2,742	4
5		Gondola - Equipped	-	1,475	5,821	6	6,102	10,474	5
6		Hopper - Covered	-	14,130	27,706	10,579	6,827	19,925	6
7		Hopper - Open Top - General Service	-	1,147	3,618	(1)	931	1,688	7
8		Hopper - Open Top - Special Service	-	1,802	1,849	12	287	490	8
9		Refrigerator - Mechanical	-	1,309	4,077	2	194	356	9
10		Refrigerator - Nonmechanical	-	1,696	3,362	3	600	1,496	10
11		Flat - TOFC/COFC	-	7,961	23,343	136,187	7,929	19,989	11
12		Flat - Multi-Level	-	1,204	2,462	26,546	2,375	9,918	12
13		Flat - General Service	-	5	17	74	105	160	13
14		Flat - Other	-	1,716	4,850	28,825	4,139	8,633	14
15		Tank - Under 22,000 Gallons	-	1	10	3,307	-	-	15
16		Tank - 22,000 Gallons and Over	-	3	29	(56)	-	-	16
17		All Other Freight Cars	-	46	188	10	72	534	17
18		Auto Racks	-	-	308	17,664	-	940	18
19		TOTAL FREIGHT TRAIN CARS	-	36,355	88,237	239,511	44,911	109,523	19
OTHER FREIGHT CARRYING EQUIPMENT									
20		Refrigerated Trailers	-	-	-	-	-	-	20
21		Other Trailers	-	-	(56)	(528)	-	1,976	21
22		Refrigerated Containers	-	-	-	-	-	-	22
23		Other Containers	-	-	-	-	-	-	23
24	-	TOTAL TRAILERS AND CONTAINERS	-	-	(56)	(528)	-	1,976	24
25		GRAND TOTAL (Lines 19 and 24)	-	36,355	88,181	238,983	44,911	111,499	25

210. RESULTS OF OPERATIONS - Continued (Dollars in Thousands)					
Line No.	Cross Check	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Line No.
FIXED CHARGES					
38		(546) Interest on funded debt: (a) Fixed interest not in default	98,805	89,788	38
39		(b) Interest in default			39
40		(547) Interest on unfunded debt			40
41		(548) Amortization of discount on funded debt	2,800	2,707	41
42		TOTAL FIXED CHARGES (lines 38 through 41)	101,605	92,495	42
43		Income after fixed charges (line 37 minus line 42)	3,737,473	3,512,658	43
OTHER DEDUCTIONS					
44		(546) Interest on funded debt: (c) Contingent interest			44
UNUSUAL OR INFREQUENT ITEMS					
45		(555) Unusual or infrequent items (debit) credit			45
46		Income (Loss) from continuing operations (before inc. taxes)	3,737,473	3,512,658	46
PROVISIONS FOR INCOME TAXES					
47	*	(556) Income taxes on ordinary income: (a) Federal income taxes	866,382	949,476	47
48	*	(b) State income taxes	151,600	132,319	48
49	*	(c) Other income taxes			49
50	*	(557) Provision for deferred taxes	395,857	275,214	50
51		TOTAL PROVISION FOR INCOME TAXES (lines 47 through 52)	1,413,839	1,357,009	51
52		Income from continuing operations (line 46 minus line 51)	2,323,634	2,155,649	52
DISCONTINUED OPERATIONS					
53		(560) Income or loss from operations of discontinued segments (less applicable income taxes of \$)			53
54		(562) Gain or loss on disposal of discontinued segments (less applicable income taxes of \$)			54
55		Income before extraordinary items (lines 52 through 54)	2,323,634	2,155,649	55
EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES					
56		(570) Extraordinary items (Net)			56
57		(590) Income taxes on extraordinary items			57
58		(591) Provision for deferred taxes - Extraordinary items			58
59		TOTAL EXTRAORDINARY ITEMS (lines 56 through 58)			59
60		(592) Cumulative effect of changes in accounting principles (less applicable income taxes of \$)			60
61	*	Net income (Loss) (lines 55 + 59 + 60)	2,323,634	2,155,649	61
RECONCILIATION OF NET RAILWAY OPERATING INCOME (NROI)					
62	*	Net revenues from railway operations	3,823,703	3,410,031	62
63	*	(556) Income taxes on ordinary income (-)	1,017,982	1,081,795	63
64	*	(557) Provision for deferred income taxes (-)	395,857	275,214	64
65		Income from lease of road and equipment (-)	12,848	12,848	65
66		Rent for leased roads and equipment (+)			66
67		Net railway operating income (loss)	2,397,016	2,040,174	67

210. RESULTS OF OPERATIONS

(Dollars in Thousands)

Cross-Checks

1. Disclose requested information for respondent pertaining to results of operations for the year.

Schedule 210

Schedule 210

Line 15, col b

= Line 62, col b

2. Report total operating expenses from Sched. 410. Any differences between this schedule and Sched. 410 must be explained on page 18.

Lines 47,48,49 col b

= Line 63, col b

Line 50, col b

= Line 64, col b

3. List dividends from investments accounted for under the cost method on line 19, and list dividends accounted for under the equity method on line 25.

Line 14, col b

Schedule 410

= Line 620, col h

Line 14, col d

= Line 620, col f

Line 14, col e

= Line 620, col g

4. All contra entries should be shown in parenthesis.

Line No.	Cross Check	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Freight-related revenue & expenses (d)	Passenger-related revenue & expenses (e)	Line No.
		ORDINARY ITEMS					
		OPERATING INCOME					
		Railway Operating Income					
1		(101) Freight	17,848,082	15,652,973	17,848,082		1
2		(102) Passenger					2
3		(103) Passenger-related					3
4		(104) Switching	30,412	32,463	30,412		4
5		(105) Water transfers					5
6		(106) Demurrage	128,397	97,877	128,397		6
7		(110) Incidental	111,872	119,472	111,872		7
8		(121) Joint facility - credit	13,609	11,313	13,609		8
9		(122) Joint facility - debit					9
10		(501) Railway operating revenues (Exclusive of transfers from government authorities-lines 1-9)	18,132,372	15,914,098	18,132,372		10
11		(502) Railway operating revenues - transfers from government authorities					11
12		(503) Railway operating revenues - amortization of deferred transfers from government authorities					12
13		TOTAL RAILWAY OPERATING REVENUES (lines 10-12)	18,132,372	15,914,098	18,132,372		13
14	*	(531) Railway operating expenses	14,308,669	12,504,067	14,308,669		14
15	*	Net revenue from railway operations	3,823,703	3,410,031	3,823,703		15
		OTHER INCOME					
16		(506) Revenue from property used in other than carrier operations					16
17		(510) Miscellaneous rent income					17
18		(512) Separately operated properties - profit					18
19		(513) Dividend income (cost method)	400	400			19
20		(514) Interest income	29,217	201,642			20
21		(516) Income from sinking and other funds					21
22		(517) Release of premiums on funded debt					22
23		(518) Reimbursements received under contracts and agreements					23
24		(519) Miscellaneous income	13,514	35,535			24
25		Income from affiliated companies: 519					
26		a. Dividends (equity method)					25
26		b. Equity in undistributed earnings (losses)					26
27		TOTAL OTHER INCOME (lines 16-26)	43,131	237,577			27
28		TOTAL INCOME (lines 15, 27)	3,866,834	3,647,608			28
		MISCELLANEOUS DEDUCTIONS FROM INCOME					
29		(534) Expenses of property used in other than carrier operations					29
30		(544) Miscellaneous taxes					30
31		(545) Separately operated properties-Loss					31
32		(549) Maintenance of investment organization					32
33		(550) Income transferred under contracts and agreements					33
34		(551) Miscellaneous income charges	27,756	42,455			34
35		(553) Uncollectible accounts					35
36		TOTAL MISCELLANEOUS DEDUCTIONS	27,756	42,455			36
37		Income available for fixed charges	3,839,078	3,605,153			37

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200. COMPARATIVE STATEMENT OF FINANCIAL POSITION-EXPLANTORY NOTES-Continued

NOTES TO FINANCIAL STATEMENTS

A summary of the weighted average grant date fair market values of the restricted share/units as of, and for the years ended December 31, 2007 and 2006, is presented below:

Grant Date Fair Market Value of Awards Granted	Time Based	Performance Based Units	Performance Stock	BNSF Incentive Bonus Stock Program	BNSF Discounted Stock Purchase Program
Year ended December 31, 2007	\$ 86.38	\$ 88.80	\$ 88.77	\$ -	\$ 79.28
Year ended December 31, 2006	\$ 79.88	\$ 80.17	\$ 80.17	\$ 81.31	\$ 81.31

A summary of the fair value of the restricted share/units vested during the years ended December 31, 2008, 2007 and 2006 is presented below:

Total Fair Value of Shares Vested (in millions)	Time Based	Performance Based Units	Performance Stock	BNSF Incentive Bonus Stock Program	BNSF Discounted Stock Purchase Program	Total
Year ended December 31, 2008	\$ 31	\$ 30	\$ 15	\$ 51	\$ 1	\$ 128
Year ended December 31, 2007	\$ 49	\$ 21	\$ -	\$ 18	\$ 1	\$ 89
Year ended December 31, 2006	\$ 42	\$ -	\$ -	\$ 25	\$ 1	\$ 68

Time-based awards are granted to senior managers within BNSF Railway primarily as a retention tool and to encourage ownership in BNSF. They generally vest over three years, although in some cases up to five years, and are contingent on continued salaried employment.

Performance-based units are granted to senior managers within BNSF Railway to encourage ownership in BNSF and to align management's interest with those of its shareholders. Performance-based units generally vest over three years and are contingent on the achievement of certain predetermined corporate performance goals (e.g., return on invested capital (ROIC)) and continued salaried employment.

Additionally, eligible employees may also earn performance stock contingent upon achievement of higher ROIC goals and continued salaried employment.

Certain employees were eligible to exchange through the Burlington Northern Santa Fe Incentive Bonus Stock Program the cash payment of their bonus for grants of restricted stock. In September 2005, the program was amended so that exchanges of cash bonus payments for awards of restricted stock were no longer permitted after February 2006.

Certain other salaried employees may participate in the BNSF Discounted Stock Purchase Program and use their bonus to purchase BNSF common stock at a discount from the market price. These shares immediately vest but are restricted for a three-year period.

Shares awarded under each of the plans may not be sold or used as collateral and are generally not transferable by the holder until the shares awarded become free of restrictions. Compensation cost, net of tax, recorded under the BNSF Stock Incentive Plans is shown in the following table (in millions):

	2008	2007	2006
Compensation cost	\$ 69	\$ 66	\$ 72
Income tax benefit	(25)	(23)	(25)
Total	\$ 44	\$ 43	\$ 47
Compensation cost capitalized	\$ 6	\$ 7	\$ 6

At December 31, 2008, there was \$101 million of total unrecognized compensation cost related to unvested share-based compensation arrangements. That cost is expected to be recognized over a weighted-average period of 1.37 years.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION-EXPLANTORY NOTES-Continued

NOTES TO FINANCIAL STATEMENTS

The fair value of each option award is estimated on the date of grant using the Black-Scholes option-pricing model. The following assumptions apply to the options granted for the periods presented:

Year ended December 31,	2008	2007	2006
Weighted average expected life (years)	4.7	4.6	4.5
Weighted average expected volatility	24.0%	24.0%	24.0%
Weighted average expected dividend yield	1.50%	1.15%	1.01%
Weighted average risk free interest rate	3.09%	4.31%	4.76%
Weighted average fair value per share at date of grant	\$ 22.92	\$ 21.91	\$ 20.51

Expected volatilities are based on historical volatility of BNSF's stock, implied volatilities from traded options on BNSF's stock and other factors. The Company uses historical experience with exercise and post-vesting employment termination behavior to determine the options' expected life. The expected life represents the period of time that options granted are expected to be outstanding. The risk-free rate is based on the U.S. Treasury rate with a maturity date corresponding to the options' expected life.

A summary of the status of stock options as of, and for the year ended December 31, 2008, is presented below (options in thousands, aggregate intrinsic value in millions):

Year ended December 31, 2008	Options	Weighted Average Exercise Prices	Weighted Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value
Balance at beginning of year	11,344	\$ 48.22		
Granted	1,795	105.06		
Exercised	(3,319)	35.34		
Cancelled	(152)	64.17		
Balance at end of year	9,668	\$ 62.95	5.63	\$ 201
Options exercisable at year end	6,880	\$ 49.30	4.38	\$ 201

The total intrinsic value of options exercised was \$207 million, \$281 million and \$222 million for the years ended December 31, 2008, 2007 and 2006, respectively.

Other Incentive Programs

BNSF has other long-term incentive programs that utilize restricted shares/units. A summary of the status of restricted shares/units and the weighted average grant date fair values as of, and for the year ended December 31, 2008, is presented below (shares in thousands):

Year ended December 31, 2008	Time Based		Performance Based Units		Performance Stock		BNSF Incentive Bonus Stock Program		BNSF Discounted Stock Purchase Program		Total
Balance at beginning of year	718	\$ 61.83	1,016	\$ 75.97	723	\$ 72.25	639	\$ 50.98	51	\$ 59.73	3,147 \$ 66.55
Granted	59	102.06	355	105.23	178	100.13	-	-	2	86.56	594 103.31
Vested	(307)	47.02	(282)	49.21	(143)	49.21	(575)	47.58	(33)	48.26	(1,340) 47.98
Forfeited	(13)	78.24	(33)	92.02	(146)	57.53	-	-	-	-	(192) 64.90
Balance at end of year	457	\$ 76.49	1,056	\$ 92.48	612	\$ 89.24	64	\$ 81.31	20	\$ 81.34	2,209 \$ 87.84

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION-EXPLANTORY NOTES-Continued**NOTES TO FINANCIAL STATEMENTS**

Liabilities recorded for environmental costs represent BNSF Railway's best estimate of its probable future obligation for the remediation and settlement of these sites and include both asserted and unasserted claims. Although recorded liabilities include BNSF Railway's best estimate of all probable costs, without reduction for anticipated recoveries from third parties, BNSF Railway's total cleanup costs at these sites cannot be predicted with certainty due to various factors such as the extent of corrective actions that may be required, evolving environmental laws and regulations, advances in environmental technology, the extent of other parties' participation in cleanup efforts, developments in ongoing environmental analyses related to sites determined to be contaminated and developments in environmental surveys and studies of contaminated sites.

Because of the uncertainty surrounding these factors, it is reasonably possible that future costs for environmental liabilities may range from approximately \$395 million to \$860 million. However, BNSF Railway believes that the \$546 million recorded at December 31, 2008, is the best estimate of the Company's future obligation for environmental costs.

While the final outcome of these environmental matters cannot be predicted with certainty, it is the opinion of BNSF Railway that none of these items, when finally resolved, will have a material adverse effect on the Company's financial position or liquidity. However, the occurrence of a number of these items in the same period could have a material adverse effect on the results of operations in a particular quarter or fiscal year.

Other Claims and Litigation

In addition to asbestos, other personal injury and environmental matters discussed above, BNSF Railway and its subsidiaries are also parties to a number of other legal actions and claims, governmental proceedings and private civil suits arising in the ordinary course of business, including those related to disputes and complaints involving certain transportation rates and charges (including complaints seeking refunds of prior charges paid for coal transportation and the prescription of future rates for such movements and claims relating to service under contract provisions or otherwise). Some of the legal proceedings include claims for punitive as well as compensatory damages, and a few proceedings purport to be class actions. While the final outcome of these matters cannot be predicted with certainty, considering among other things the meritorious legal defenses available and liabilities that have been recorded along with applicable insurance, it is the opinion of BNSF Railway that none of these items, when finally resolved, will have a material adverse effect on the Company's financial position or liquidity. However, an unexpected adverse resolution of one or more of these items could have a material adverse effect on the results of operations in a particular quarter or fiscal year.

Note 6**Stock-Based Compensation**

On April 15, 1999, BNSF shareholders approved the Burlington Northern Santa Fe 1999 Stock Incentive Plan and authorized 20 million shares of BNSF common stock to be issued in connection with stock options, restricted stock, restricted stock units and performance stock. On April 18, 2001, April 17, 2002, April 21, 2004 and April 19, 2006, BNSF shareholders approved the amendments to the Burlington Northern Santa Fe 1999 Stock Incentive Plan, which authorized additional awards of 9 million, 6 million, 7 million and 11 million shares, respectively, of BNSF common stock to be issued in connection with stock options, restricted stock, restricted stock units and performance stock. Approximately 8 million common shares were available for future grant at December 31, 2008.

Additionally, on April 18, 1996, BNSF shareholders approved the non-employee directors' stock plan and authorized 900,000 shares of BNSF common stock to be issued in connection with this plan. Approximately 430,000 common shares were available for future grant at December 31, 2008.

Stock Options

Under BNSF's stock plans, options may be granted to directors, officers and salaried employees of BNSF Railway at the fair market value of BNSF's common stock on the date of grant. Stock option grants generally vest ratably over three years and expire within ten years after the date of grant. Shares issued upon exercise of options may be issued from treasury shares or from authorized but unissued shares.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION-EXPLANTORY NOTES-Continued**NOTES TO FINANCIAL STATEMENTS**

During the third quarter of 2008, 2007 and 2006, the Company analyzed recent data and trends to ensure the assumptions used by BNSF Railway to estimate its future environmental liability were reasonable. As a result of this study, in the third quarter of 2008, 2007 and 2006, management recorded additional expense of approximately \$13 million, \$20 million and \$5 million as of the June 30 measurement date, respectively. The Company plans to update its study again in the third quarter of 2009.

Annual studies do not include (i) contaminated sites of which the Company is not aware; (ii) additional amounts for third-party tort claims, which arise out of contaminants allegedly migrating from BNSF Railway property, due to a limited number of sites; or (iii) natural resource damage claims. BNSF Railway continues to estimate third-party tort claims on a site by site basis when the liability for such claims is probable and reasonably estimable. BNSF Railway's recorded liability for third-party tort claims as of December 31, 2008, is approximately \$17 million.

BNSF Railway is involved in a number of administrative and judicial proceedings and other mandatory cleanup efforts for 336 sites, including 21 Superfund sites, at which it is participating in the study or cleanup, or both, of alleged environmental contamination.

The following table summarizes the activity in the Company's accrued obligations for environmental matters (in millions):

	2008	2007	2006
Beginning balance	\$ 380	\$ 318	\$ 370
Accruals	251	126	20
Payments	(85)	(64)	(72)
Ending balance at December 31,	\$ 546	\$ 380	\$ 318

At December 31, 2008 and 2007, \$80 million and \$66 million were included in current liabilities, respectively.

In the second quarter of 2008, the Company completed an analysis of its Montana sites to determine its legal exposure related to the potential effect of a Montana Supreme Court decision. The decision, which did not involve BNSF Railway, held that restoration damages (damages equating to clean-up costs which are intended to return property to its original condition) may be awarded under certain circumstances even where such damages may exceed the property's actual value. The legal situation in Montana, the recent increase in the number of claims against BNSF Railway and others resulting from this decision, and the completion of the analysis caused BNSF Railway to record additional pre-tax environmental expenses of \$175 million in the second quarter of 2008 for environmental liabilities primarily related to the effect of the aforementioned Montana Supreme Court decision on certain of BNSF Railway's Montana sites.

In the first quarter of 2007, the Company recorded additional pre-tax environmental expenses of \$65 million due to an increase in environmental costs primarily related to a final resolution with the State of Washington and its Department of Ecology on clean-up of an existing environmental site at Skykomish and an adverse reversal of a trial court decision on appeal regarding a site at Arvin, California.

BNSF Railway's environmental liabilities are not discounted. BNSF Railway anticipates that the majority of the accrued costs at December 31, 2008, will be paid over the next ten years, and no individual site is considered to be material.

The following table summarizes the environmental sites:

	BNSF Railway Sites	
	2008	2007
Number of sites at January 1,	346	375
Sites added during the period	19	16
Sites closed during the period	(29)	(45)
Number of sites at December 31,	336	346

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION-EXPLANTORY NOTES-Continued**NOTES TO FINANCIAL STATEMENTS**

While the final outcome of these other personal injury matters cannot be predicted with certainty, considering among other things the meritorious legal defenses available and liabilities that have been recorded, it is the opinion of BNSF Railway that none of these items, when finally resolved, will have a material adverse effect on the Company's financial position or liquidity. However, the occurrence of a number of these items in the same period could have a material adverse effect on the results of operations in a particular quarter or fiscal year.

BNSF Insurance Company

Burlington Northern Santa Fe Insurance Company, Ltd. (BNSF IC), a wholly owned subsidiary of BNSF, provides insurance coverage for certain risks incurred after April 1, 1998, FELA claims, railroad protective, force account insurance claims and certain excess general liability coverage incurred after January 1, 2002, and certain other claims which are subject to reinsurance. During the years ended December 31, 2008, 2007 and 2006, BNSF Railway paid premiums of \$168 million, \$165 million and \$162 million, respectively, to BNSF IC for such coverage, net of reimbursements from third parties and recognized \$168 million, \$165 million and \$162 million, respectively, in expense related to those premiums, which is classified as purchased services in the Consolidated Statements of Income. At both December 31, 2008 and 2007, unamortized premiums remaining on the Consolidated Balance Sheets were \$4 million. During 2008, 2007 and 2006, BNSF IC made claim payments totaling \$118 million, \$150 million and \$127 million, respectively, for settlement of covered claims. At December 31, 2008 and 2007, receivables from BNSF IC for claims paid were \$23 million and \$13 million, respectively.

Environmental

The Company's operations, as well as those of its competitors, are subject to extensive federal, state and local environmental regulation. BNSF Railway's operating procedures include practices to protect the environment from the risks inherent in railroad operations, which frequently involve transporting chemicals and other hazardous materials. Additionally, many of BNSF Railway's land holdings are and have been used for industrial or transportation-related purposes or leased to commercial or industrial companies whose activities may have resulted in discharges onto the property. As a result, BNSF Railway is subject to environmental cleanup and enforcement actions. In particular, the federal Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA), also known as the Superfund law, as well as similar state laws, generally impose joint and several liability for cleanup and enforcement costs on current and former owners and operators of a site without regard to fault or the legality of the original conduct. BNSF Railway has been notified that it is a potentially responsible party (PRP) for study and cleanup costs at Superfund sites for which investigation and remediation payments are or will be made or are yet to be determined (the Superfund sites) and, in many instances, is one of several PRPs. In addition, BNSF Railway may be considered a PRP under certain other laws. Accordingly, under CERCLA and other federal and state statutes, BNSF Railway may be held jointly and severally liable for all environmental costs associated with a particular site. If there are other PRPs, BNSF Railway generally participates in the cleanup of these sites through cost-sharing agreements with terms that vary from site to site. Costs are typically allocated based on such factors as relative volumetric contribution of material, the amount of time the site was owned or operated and/or the portion of the total site owned or operated by each PRP.

Liabilities for environmental cleanup costs are recorded when BNSF Railway's liability for environmental cleanup is probable and reasonably estimable. Subsequent adjustments to initial estimates are recorded as necessary based upon additional information developed in subsequent periods. Environmental costs include initial site surveys and environmental studies as well as costs for remediation of sites determined to be contaminated.

BNSF Railway estimates the ultimate cost of cleanup efforts at its known environmental sites on an annual basis during the third quarter. Ultimate cost estimates for environmental sites are based on historical payment patterns, current estimated percentage to closure ratios and benchmark patterns developed from data accumulated from industry and public sources, including the Environmental Protection Agency and other governmental agencies. These factors incorporate experience gained from cleanup efforts at other similar sites into the estimates for which remediation and restoration efforts are still in progress.

On a quarterly basis, BNSF Railway monitors actual experience against the forecasted remediation and related payments made on existing sites and conducts ongoing environmental contingency analyses, which consider a combination of factors including independent consulting reports, site visits, legal reviews and analysis of the likelihood of participation in, and the ability to pay for, cleanup of other PRPs. Adjustments to the Company's estimates will continue to be recorded as necessary based on developments in subsequent periods. Additionally, environmental accruals, which are classified as materials and other in the Consolidated Statements of Income, include amounts for newly identified sites or contaminants, third-party claims and legal fees incurred for defense of third-party claims and recovery efforts.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION-EXPLANTORY NOTES-Continued

NOTES TO FINANCIAL STATEMENTS

The amounts recorded by BNSF Railway for the asbestos-related liability were based upon currently known facts. Future events, such as the number of new claims to be filed each year, the average cost of disposing of claims, as well as the numerous uncertainties surrounding asbestos litigation in the United States, could cause the actual costs to be higher or lower than projected.

While the final outcome of asbestos-related matters cannot be predicted with certainty, considering among other things the meritorious legal defenses available and liabilities that have been recorded, it is the opinion of BNSF Railway that none of these items, when finally resolved, will have a material adverse effect on the Company's financial position or liquidity. However, the occurrence of a number of these items in the same period could have a material adverse effect on the results of operations in a particular quarter or fiscal year.

Other Personal Injury

BNSF Railway estimates its other personal injury liability claims and expense quarterly based on the covered population, activity levels and trends in frequency and the costs of covered injuries. Estimates include unasserted claims except for certain repetitive stress and other occupational trauma claims that allegedly result from prolonged repeated events or exposure. Such claims are estimated on an as-reported basis because the Company cannot estimate the range of reasonably possible loss due to other non-work related contributing causes of such injuries and the fact that continued exposure is required for the potential injury to manifest itself as a claim. BNSF Railway has not experienced any significant adverse trends related to these types of claims in recent years.

BNSF Railway monitors quarterly actual experience against the number of forecasted claims to be received, the forecasted number of claims closing with payment and expected claims payments. Adjustments to the Company's estimates are recorded quarterly as necessary or more frequently as new events or revised estimates develop.

The following table summarizes the activity in the Company's accrued obligations for other personal injury matters (in millions):

	2008	2007	2006
Beginning balance	\$ 439	\$ 439	\$ 422
Accruals	159	190	188
Payments	(156)	(190)	(171)
Ending balance at December 31,	\$ 442	\$ 439	\$ 439

At December 31, 2008 and 2007, \$183 million and \$163 million were included in current liabilities, respectively. BNSF Railway's liabilities for other personal injury claims are undiscounted. In addition, defense and processing costs, which are recorded on an as-reported basis, were not included in the recorded liability. The Company is substantially self-insured for other personal injury claims.

The following table summarizes information regarding the number of personal injury claims, other than asbestos, filed against BNSF Railway:

	2008	2007
Claims unresolved at January 1,	3,322	3,130
Claims filed	4,313	3,894
Claims settled, dismissed or otherwise resolved	(4,286)	(3,702)
Claims unresolved at December 31,	3,349	3,322

Because of the uncertainty surrounding the ultimate outcome of other personal injury claims, it is reasonably possible that future costs to settle other personal injury claims may range from approximately \$375 million to \$555 million. However, BNSF Railway believes that the \$442 million recorded at December 31, 2008, is the best estimate of the Company's future obligation for the settlement of other personal injury claims.

The amounts recorded by BNSF Railway for other personal injury claims were based upon currently known facts. Future events, such as the number of new claims to be filed each year, the average cost of disposing of claims, as well as the numerous uncertainties surrounding personal injury litigation in the United States, could cause the actual costs to be higher or lower than projected.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION-EXPLANTORY NOTES-Continued**NOTES TO FINANCIAL STATEMENTS****Asbestos**

The Company is party to a number of personal injury claims by employees and non-employees who may have been exposed to asbestos. The heaviest exposure for BNSF Railway employees was due to work conducted in and around the use of steam locomotive engines that were phased out between the years of 1950 and 1967. However, other types of exposures, including exposure from locomotive component parts and building materials, continued after 1967 until they were substantially eliminated at BNSF Railway by 1985.

BNSF Railway assesses its unasserted liability exposure on an annual basis during the third quarter. BNSF Railway determines its asbestos liability by estimating its exposed population, the number of claims likely to be filed, the number of claims that will likely require payment and the estimated cost per claim. Estimated filing and dismissal rates and average cost per claim are determined utilizing recent claim data and trends.

During the third quarters of 2008, 2007 and 2006, the Company analyzed recent filing and payment trends to ensure the assumptions used by BNSF Railway to estimate its future asbestos liability were reasonable. In 2007, management recorded a decrease in expense of \$17 million due to a statistically significant reduction in filing rate experience for non-malignant claims. In 2008 and 2006, management determined that the liability remained appropriate and no change was recorded. The Company plans to update its study again in the third quarter of 2009.

Throughout the year, BNSF Railway monitors actual experience against the number of forecasted claims and expected claim payments and will record adjustments to the Company's estimates as necessary.

The following table summarizes the activity in the Company's accrued obligations for both asserted and unasserted asbestos matters (in millions):

	2008	2007	2006
Beginning balance	\$ 270	\$ 306	\$ 326
Accruals	-	(17)	-
Payments	(19)	(19)	(20)
Ending balance at December 31,	\$ 251	\$ 270	\$ 306

Of the obligation at December 31, 2008, \$208 million was related to unasserted claims while \$43 million was related to asserted claims. At both December 31, 2008 and 2007, \$17 million was included in current liabilities, respectively. The recorded liability was not discounted. In addition, defense and processing costs, which are recorded on an as-reported basis, were not included in the recorded liability. The Company is primarily self-insured for asbestos-related claims.

The following table summarizes information regarding the number of asserted asbestos claims filed against BNSF Railway:

	2008	2007
Claims unresolved at January 1,	1,781	1,975
Claims filed	494	376
Claims settled, dismissed or otherwise resolved	(442)	(570)
Claims unresolved at December 31,	1,833	1,781

Based on BNSF Railway's estimate of the potentially exposed employees and related mortality assumptions, it is anticipated that unasserted claims will continue to be filed through the year 2050. The Company recorded an amount for the full estimated filing period through 2050 because it had a relatively finite exposed population (former and current employees hired prior to 1985), which it was able to identify and reasonably estimate and about which it had obtained reliable demographic data (including age, hire date and occupation) derived from industry or BNSF Railway specific data that was the basis for the study. BNSF Railway projects that approximately 55, 75 and 95 percent of the future unasserted asbestos claims will be filed within the next 10, 15 and 25 years, respectively.

Because of the uncertainty surrounding the factors used in the study, it is reasonably possible that future costs to settle asbestos claims may range from approximately \$230 million to \$275 million. However, BNSF Railway believes that the \$251 million recorded at December 31, 2008, is the best estimate of the Company's future obligation for the settlement of asbestos claims.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION-EXPLANTORY NOTES-Continued

NOTES TO FINANCIAL STATEMENTS

Note 5

Commitments and Contingencies

Lease Commitments

BNSF Railway has substantial lease commitments for locomotives, freight cars, trailers and containers, office buildings, operating facilities and other property, and many of these leases provide the option to purchase the leased item at fair market value at the end of the lease. However, some provide fixed price purchase options. Future minimum lease payments as of December 31, 2008, are summarized as follows (in millions):

December 31,	Capital Leases	Operating Leases ^a
2009	\$ 250	\$ 620
2010	282	645
2011	219	602
2012	137	543
2013	98	519
Thereafter	614	4,051
Total	1,600	\$ 6,980
Less amount representing interest	(319)	
Present value of minimum lease payments	\$ 1,281	

a Excludes leases having non-cancelable lease terms of less than one year and per diem leases.

Lease rental expense for all operating leases, excluding per diem leases, was \$686 million, \$706 million and \$665 million for the years ended December 31, 2008, 2007 and 2006, respectively. When rental payments are not made on a straight-line basis, the Company recognizes rental expense on a straight-line basis over the lease term. Contingent rentals and sublease rentals were not significant.

Other Commitments

In the normal course of business, the Company enters into long-term contractual requirements for future goods and services needed for the operations of the business. Such commitments are not in excess of expected requirements and are not reasonably likely to result in performance penalties or payments that would have a material adverse effect on the Company's liquidity.

Personal Injury and Environmental CostsPersonal Injury

Personal injury claims, including asbestos claims and employee work-related injuries and third-party injuries (collectively, other personal injury), are a significant expense for the railroad industry. Personal injury claims by BNSF Railway employees are subject to the provisions of the Federal Employers' Liability Act (FELA) rather than state workers' compensation laws. FELA's system of requiring the finding of fault, coupled with unscheduled awards and reliance on the jury system, contributed to increased expenses in past years. Other proceedings include claims by non-employees for punitive as well as compensatory damages. A few proceedings purport to be class actions. The variability present in settling these claims, including non-employee personal injury and matters in which punitive damages are alleged, could result in increased expenses in future years. BNSF Railway has implemented a number of safety programs designed to reduce the number of personal injuries as well as the associated claims and personal injury expense.

BNSF Railway records a liability for personal injury claims when the expected loss is both probable and reasonably estimable. The liability and ultimate expense projections are estimated using standard actuarial methodologies. Liabilities recorded for unasserted personal injury claims are based on information currently available. Due to the inherent uncertainty involved in projecting future events such as the number of claims filed each year, developments in judicial and legislative standards and the average costs to settle projected claims, actual costs may differ from amounts recorded. BNSF Railway has obtained insurance coverage for certain claims, as discussed under the heading "BNSF Insurance Company." Expense accruals and any required adjustments are classified as materials and other in the Consolidated Statements of Income.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION-EXPLANTORY NOTES-Continued**NOTES TO FINANCIAL STATEMENTS**Summarized Comparative Prior Year Information

The following table provides summarized comparative information for fuel-hedge transactions outstanding as of December 31, 2007.

Year ending December 31,	2008	2009	2010
WTI Swaps			
Barrels hedged (in thousands)	1,010	370	70
Equivalent gallons hedged (in millions)	42.42	15.54	2.94
Average swap price (per barrel)	\$ 63.72	\$ 65.08	\$ 64.80
Fair value (in millions)	\$ 29	\$ 8	\$ 2

Interest Rate

From time to time, the Company enters into various interest rate hedging transactions for the purpose of managing exposure to fluctuations in interest rates by establishing rates in anticipation of both future debt issuances and the refinancing of leveraged leases. The Company uses treasury locks as part of its interest rate risk management strategy.

Cash Flow Interest Rate Hedges

In anticipation of a future refinancing of several leveraged leases, the Company had entered into six treasury locks having an aggregate notional amount of \$147 million to fix the interest rate inherent in the operating lease payments. The treasury locks were terminated in May 2007 in connection with the refinancing of the leveraged leases, and the resulting \$0.5 million gain on these hedges will be amortized to equipment rents over the remaining life of the leases. These transactions are accounted for as cash flow hedges.

The amounts recorded in the Consolidated Balance Sheets for interest rate cash flow hedge transactions, which represent the fair value of open and closed hedges, were as follows (in millions):

December 31,	2008	2007
Unrecognized gain on closed hedges	\$ 1	\$ 1
Tax effect	—	—
Unrecognized gain in AOCL, net of tax	\$ 1	\$ 1

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION-EXPLANTORY NOTES-Continued

NOTES TO FINANCIAL STATEMENTS

During 2008, the Company entered into fuel swap agreements utilizing WTI to hedge the equivalent of approximately 12.82 million barrels of fuel with an average swap price of \$82.81 per barrel and costless collar agreements utilizing WTI to hedge the equivalent of approximately 5.89 million barrels of fuel with an average cap price of \$112.52 per barrel and an average floor price of \$103.81 per barrel. The following tables provide fuel-hedge data based on the quarter being hedged for all WTI fuel hedges outstanding as of December 31, 2008.

2009	Quarter Ending					Annual
	March 31,	June 30,	September 30,	December 31,		
WTI Swaps						
Barrels hedged (in thousands)	1,125	1,215	1,240	1,425	5,005	
Equivalent gallons hedged (in millions)	47.25	51.03	52.08	59.85	210.21	
Average swap price (per barrel)	\$ 74.22	\$ 73.59	\$ 75.09	\$ 75.72	\$ 74.71	
Fair value (in millions)	\$ (28)	\$ (24)	\$ (23)	\$ (23)	\$ (98)	
WTI Costless Collars						
Barrels hedged (in thousands)	975	755	520	475	2,725	
Equivalent gallons hedged (in millions)	40.95	31.71	21.84	19.95	114.45	
Average cap price (per barrel)	\$ 126.40	\$ 127.01	\$ 135.82	\$ 135.46	\$ 129.95	
Average floor price (per barrel)	\$ 116.20	\$ 117.05	\$ 125.55	\$ 125.38	\$ 119.82	
Fair value (in millions)	\$ (66)	\$ (48)	\$ (36)	\$ (31)	\$ (181)	

2010	Quarter Ending				Annual
	March 31,	June 30,	September 30,	December 31,	
WTI Swaps					
Barrels hedged (in thousands)	1,210	1,110	1,125	1,235	4,680
Equivalent gallons hedged (in millions)	50.82	46.62	47.25	51.87	196.56
Average swap price (per barrel)	\$ 85.05	\$ 87.89	\$ 87.82	\$ 86.27	\$ 86.71
Fair value (in millions)	\$ (28)	\$ (27)	\$ (25)	\$ (24)	\$ (104)
WTI Costless Collars					
Barrels hedged (in thousands)	400	400	400	300	1,500
Equivalent gallons hedged (in millions)	16.80	16.80	16.80	12.60	63.00
Average cap price (per barrel)	\$ 78.22	\$ 79.80	\$ 81.37	\$ 82.95	\$ 80.43
Average floor price (per barrel)	\$ 72.55	\$ 74.05	\$ 75.38	\$ 76.87	\$ 74.57
Fair value (in millions)	\$ (5)	\$ (5)	\$ (5)	\$ (4)	\$ (19)

2011	Quarter Ending				Annual
	March 31,	June 30,	September 30,	December 31,	
WTI Swaps					
Barrels hedged (in thousands)	870	880	885	935	3,570
Equivalent gallons hedged (in millions)	36.54	36.96	37.17	39.27	149.94
Average swap price (per barrel)	\$ 87.12	\$ 86.52	\$ 86.80	\$ 87.07	\$ 86.88
Fair value (in millions)	\$ (17)	\$ (15)	\$ (15)	\$ (15)	\$ (62)
WTI Costless Collars					
Barrels hedged (in thousands)	200	200	200	200	800
Equivalent gallons hedged (in millions)	8.40	8.40	8.40	8.40	33.60
Average cap price (per barrel)	\$ 84.00	\$ 84.70	\$ 85.39	\$ 86.10	\$ 85.05
Average floor price (per barrel)	\$ 77.75	\$ 78.40	\$ 79.05	\$ 79.70	\$ 78.73
Fair value (in millions)	\$ (2)	\$ (2)	\$ (2)	\$ (2)	\$ (8)

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION-EXPLANTORY NOTES-Continued

NOTES TO FINANCIAL STATEMENTS

The amounts recorded in the Consolidated Balance Sheets for fuel-hedge transactions were as follows (in millions):

December 31,	2008	2007
Short-term fuel-hedging asset	\$ —	\$ 29
Long-term fuel-hedging asset	—	10
Short-term fuel-hedging liability	(279)	—
Long-term fuel-hedging liability	(193)	—
Ineffective portion of open hedges	17	—
Tax effect	174	(15)
Amount included in AOCL, net of tax	<u>\$ (281)</u>	<u>\$ 24</u>
Settled fuel-hedging contracts receivable	\$ —	\$ 6
Settled fuel-hedging contracts payable	<u>\$ (38)</u>	<u>\$ —</u>

Certain of the Company's fuel-hedge instruments are covered by an agreement which includes a provision such that the Company either receives or posts cash collateral if the position of the instruments exceeds a certain net asset or net liability threshold, respectively. The aggregate fair value of all fuel-hedge instruments under these provisions were in a net liability position on December 31, 2008, of \$131 million, for which the Company has posted collateral of \$106 million. Additionally, the Company has posted collateral of \$20 million as of December 31, 2008, related to fuel-hedging contracts payable, to be settled during the first quarter of 2009. The collateral is reflected as a reduction to either accounts payable and other current liabilities or other liabilities in the Consolidated Balance Sheets, depending on the expiration date of the related fuel hedges. The fuel-hedging liabilities presented in the table above do not reflect a reduction for the posted collateral.

The Company uses the forward commodity price for the periods hedged to value its fuel-hedge swaps and costless collars. This methodology is a market approach, which under SFAS No. 157 utilizes Level 2 inputs as it uses market data for similar instruments in active markets.

New York Mercantile Exchange (NYMEX) #2 Heating Oil (HO) Hedges

During 2008, the Company entered into fuel swap agreements utilizing HO to hedge the equivalent of approximately 24.02 million gallons of fuel with an average swap price of \$2.44 per gallon, all of which expired during the year. As of December 31, 2008, there were no HO hedge positions outstanding.

West Texas Intermediate (WTI) Crude Oil Hedges

In addition, BNSF Railway enters into fuel swap and costless collar agreements utilizing WTI crude oil. The hedge prices do not include taxes, transportation costs, certain other fuel handling costs and any differences which may occur between the prices of WTI and the purchase price of BNSF Railway's diesel fuel, including refining costs. Over the twelve months ended December 31, 2008, the sum of all such costs averaged approximately 74 cents per gallon.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION-EXPLANTORY NOTES-Continued

NOTES TO FINANCIAL STATEMENTS

Note 4

Hedging Activities

The Company uses derivative financial instruments to hedge against increases in diesel fuel prices and interest rates. The Company does not hold or issue derivative financial instruments for trading or speculative purposes. The Company formally documents the relationship between the hedging instrument and the hedged item, as well as the risk management objective and strategy for the use of the hedging instrument. This documentation includes linking the derivatives that are designated as cash flow hedges to specific assets or liabilities on the balance sheet, commitments or forecasted transactions. The Company assesses at the time a derivative contract is entered into, and at least quarterly thereafter, whether the derivative item is effective in offsetting the changes in cash flows. Any change in fair value resulting from ineffectiveness, as defined by SFAS No. 133, *Accounting for Derivative Instruments and Hedging Activities, as amended*, is recognized in current period earnings. For derivative instruments that are designated and qualify as cash flow hedges, the effective portion of the gain or loss on the derivative instrument is recorded in accumulated other comprehensive loss (AOCL) as a separate component of stockholder's equity and reclassified into earnings in the period during which the hedge transaction affects earnings. Cash flows related to fuel and interest rate hedges are classified as operating activities in the Consolidated Statements of Cash Flows.

BNSF Railway monitors its hedging positions and credit ratings of its counterparties and does not anticipate any losses due to counterparty nonperformance.

Fuel

Fuel costs represented 33 percent, 27 percent and 25 percent of total operating expenses during 2008, 2007 and 2006, respectively. Due to the significance of diesel fuel expenses to the operations of BNSF Railway and the historical volatility of fuel prices, the Company has entered into hedges to partially mitigate the risk of fluctuations in the price of its diesel fuel purchases. The fuel hedges include the use of derivatives that are accounted for as cash flow hedges. The hedging is intended to protect the Company's operating margins and overall profitability from adverse fuel price changes by entering into fuel-hedge instruments based on management's evaluation of current and expected diesel fuel price trends. However, to the extent the Company hedges portions of its fuel purchases, it may not realize the impact of decreases in fuel prices. Conversely, to the extent the Company does not hedge portions of its fuel purchases, it may be adversely affected by increases in fuel prices. Based on locomotive fuel consumption (which represents substantially all fuel consumption) during 2008 and excluding the impact of the hedges, each one-cent increase in the price of fuel per gallon would result in approximately \$14 million of additional fuel expense on an annual basis. However, BNSF Railway believes any fuel price increase would be substantially offset by the Company's fuel surcharge program.

Total Fuel-Hedging Activities

As of December 31, 2008, BNSF Railway's total fuel-hedging positions for 2009, 2010 and 2011 represent 22 percent, 18 percent and 13 percent, respectively, of the average annual locomotive fuel consumption over the past three years. Hedge positions are closely monitored to ensure that they will not exceed actual fuel requirements in any period.

The amounts recorded in the Consolidated Statements of Income for fuel-hedge transactions were as follows (in millions):

Year ended December 31,	2008	2007	2006
Hedge benefit	\$ 12	\$ 30	\$ 342
Ineffective portion of open hedges	(17)	1	(1)
Tax effect	2	(12)	(131)
Hedge (loss) benefit, net of tax	\$ (3)	\$ 19	\$ 210

The ineffective portion of unrealized gains and losses of open hedges are recorded in the Consolidated Statements of Income as a component of fuel expense.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION-EXPLANTORY NOTES-Continued**NOTES TO FINANCIAL STATEMENTS***Westside Intermodal Transportation Corporation and The Unified Government of Wyandotte County/Kansas City, Kansas*

BNSF Railway has outstanding guarantees of \$51 million of debt, the proceeds of which were used to finance construction of a bridge that connects BNSF Railway's Argentine Yard in Kansas City, Kansas, with the KCTRC mainline tracks in Kansas City, Missouri. The bridge is operated by KCTRC, and payments related to BNSF Railway's guarantee of this obligation would only be called for upon default by the original debtor.

Chevron Phillips Chemical Company, LP

In the third quarter of 2007, BNSF Railway entered into an indemnity agreement with Chevron Phillips Chemical Company, LP (Chevron Phillips), granting certain rights of indemnity from BNSF Railway, in order to facilitate access to a new storage facility. Under certain circumstances, payment under this obligation may be required in the event Chevron Phillips were to incur certain liabilities or other incremental costs resulting from trackage access.

Residual Value Guarantees (RVG)

In the normal course of business, the Company enters into leases in which it guarantees the residual value of certain leased equipment. Some of these leases have renewal or purchase options, or both, that the Company may exercise at the end of the lease term. If the Company elects not to exercise these options, it may be required to pay the lessor an amount not exceeding the RVG. The amount of any payment is contingent upon the actual residual value of the leased equipment. Some of these leases also require the lessor to pay the Company any surplus if the actual residual value of the leased equipment is over the RVG. These guarantees will expire between 2009 and 2011.

The maximum future payments, as disclosed in the Guarantees table above, represent the undiscounted maximum amount that BNSF Railway could be required to pay in the event the Company did not exercise its renewal option and the fair market value of the equipment had significantly declined. As of December 31, 2008, BNSF Railway does not anticipate such a large reduction in the fair market value of the leased equipment. As of December 31, 2008, the Company had recorded a \$68 million asset and corresponding liability for the fair value of RVGs.

All Other

As of December 31, 2008, BNSF Railway guaranteed \$5 million of other debt and leases. BNSF Railway holds a performance bond and has the option to sub-lease property to recover up to \$2 million of the \$5 million of guarantees. These guarantees expire between 2011 and 2013.

Other than as discussed above, there is no collateral held by a third party that the Company could obtain and liquidate to recover any amounts paid under the above guarantees.

Other than as discussed above, none of the guarantees are recorded in the Consolidated Financial Statements of the Company. The Company does not expect performance under these guarantees to have a material effect on the Company in the foreseeable future.

Indemnities

In the ordinary course of business, BNSF Railway enters into agreements with third parties that include indemnification clauses. In general, these clauses are customary for the types of agreements in which they are included. At times, these clauses may involve indemnification for the acts of the Company, its employees and agents, indemnification for another party's acts, indemnification for future events, indemnification based upon a certain standard of performance, indemnification for liabilities arising out of the Company's use of leased equipment or other property, or other types of indemnification. Due to the uncertainty of whether events, which would trigger the indemnification obligations would ever occur, the Company does not believe that these indemnity agreements will have a material adverse effect on the Company's results of operations, financial position or liquidity. Additionally, the Company believes that, due to lack of historical payment experience, the fair value of indemnities cannot be estimated with any amount of certainty and that the fair value of any such amount would be immaterial to the Consolidated Financial Statements. Agreements that contain unique circumstances, particularly agreements that contain guarantees that indemnify another party's acts are disclosed separately if appropriate. Unless separately disclosed above, no fair value liability related to indemnities has been recorded in the Consolidated Financial Statements.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION-EXPLANTORY NOTES-Continued

NOTES TO FINANCIAL STATEMENTS

Note 3

Contingent Assets and Liabilities

Guarantees

As of December 31, 2008, BNSF Railway has not been called upon to perform under the guarantees specifically disclosed in this footnote and does not anticipate a significant performance risk in the foreseeable future.

Debt and other obligations of non-consolidated entities guaranteed by the Company as of December 31, 2008, were as follows (dollars in millions):

	Guarantees					Capitalized Obligations
	BNSF Railway Ownership Percentage	Principal Amount Guaranteed	Maximum Future Payments	Maximum Recourse Amount ^a	Remaining Term (in years)	
Kinder Morgan Energy Partners, L.P.	0.5%	\$ 190	\$ 190	\$ –	Termination of Ownership	\$ –
Kansas City Terminal Intermodal Transportation Corporation	0.0%	\$ 52	\$ 74	\$ 74	10	\$ 29 ^b
Westside Intermodal Transportation Corporation	0.0%	\$ 39	\$ 58	\$ –	15	\$ 30 ^b
The Unified Government of Wyandotte County/Kansas City, Kansas	0.0%	\$ 12	\$ 18	\$ –	15	\$ 9 ^b
Chevron Phillips Chemical Company, LP	0.0%	N/A ^d	N/A ^d	N/A ^d	9	\$ 12 ^c
Various lessors (Residual value guarantees)	0.0%	N/A	\$ 271	\$ 271	Various	\$ 68 ^c
All other	0.0%	\$ 5	\$ 5	\$ 2	Various	\$ –

a Reflects the maximum amount the Company could recover from a third party other than the counterparty.

b Reflects capitalized obligations that are recorded on the Company's Consolidated Balance Sheets.

c Reflects the FIN 45, *Guarantor's Accounting and Disclosure Requirements for Guarantees*, asset and corresponding liability for the fair value of these guarantees.

d There is no cap to the liability that can be sought from BNSF Railway for BNSF Railway's negligence or the negligence of the indemnified party. However, BNSF Railway could receive reimbursement from certain insurance policies if the liability exceeds a certain amount.

Kinder Morgan Energy Partners, L.P.

Santa Fe Pacific Pipelines, Inc., an indirect, wholly-owned subsidiary of BNSF Railway, has a guarantee in connection with its remaining special limited partnership interest in Santa Fe Pacific Pipelines Partners, L.P. (SFPP), a subsidiary of Kinder Morgan Energy Partners, L.P., to be paid only upon default by the partnership. All obligations with respect to the guarantee will cease upon termination of ownership rights, which would occur upon a put notice issued by BNSF Railway or the exercise of the call rights by the general partners of SFPP.

Kansas City Terminal Intermodal Transportation Corporation

BNSF Railway and another major railroad jointly and severally guarantee \$52 million of debt of Kansas City Terminal Intermodal Transportation Corporation, the proceeds of which were used to finance construction of a double track grade separation bridge in Kansas City, Missouri, which is operated and used by Kansas City Terminal Railway Company (KCTRC). BNSF Railway has a 25 percent ownership in KCTRC, accounts for its interest using the equity method of accounting and would be required to fund a portion of the remaining obligation upon default by the original debtor.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION-EXPLANTORY NOTES-Continued**NOTES TO FINANCIAL STATEMENTS**

The following table shows expected benefit payments from its defined benefit pension plans and expected claim payments and Medicare Part D subsidy receipts for the retiree health and welfare plan for the next five fiscal years and the aggregate five years thereafter (in millions):

Fiscal year	Expected Pension Plan Benefit Payments^a	Expected Retiree Health and Welfare Payments	Expected Medicare Subsidy
2009	\$ 135	\$ 24	\$ (3)
2010	135	25	(3)
2011	135	26	(3)
2012	135	26	(4)
2013	136	26	(4)
2014-2018	679	127	(22)

a Primarily consists of the BNSF Retirement Plan payments, which are made from the plan trust and do not represent an immediate cash outflow to the Company.

Defined Contribution Plans

BNSF and BNSF Railway sponsor qualified 401(k) plans that cover substantially all employees and a non-qualified defined contribution plan that covers certain officers and other employees. The Company matches 50 percent of the first six percent of non-union employees' contributions and matches 25 percent on the first four percent of a limited number of union employees' contributions, which are subject to certain percentage limits of the employees' earnings, at each pay period. Non-union employees are eligible to receive an annual discretionary matching contribution of up to 30 percent of the first six percent of their contributions. Employer contributions for all non-union employees are subject to a five-year length of service vesting schedule. The Company's 401(k) matching expense was \$29 million, \$21 million and \$28 million in 2008, 2007 and 2006, respectively.

Other

Under collective bargaining agreements, BNSF Railway participates in multi-employer benefit plans that provide certain post-retirement health care and life insurance benefits for eligible union employees. Insurance premiums paid attributable to retirees, which are generally expensed as incurred, were \$54 million, \$46 million and \$44 million, in 2008, 2007 and 2006, respectively.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION-EXPLANTORY NOTES-Continued

NOTES TO FINANCIAL STATEMENTS

The assumptions used in accounting for the BNSF plans were as follows:

Assumptions Used to Determine Net Cost for Fiscal Years Ended December 31,	Pension Benefits			Retiree Health and Welfare Benefits		
	2008	2007	2006	2008	2007	2006
Discount rate	6.00%	5.50%	5.25%	6.00%	5.50%	5.25%
Expected long-term rate of return on plan assets	8.00%	8.00%	8.00%	—%	—%	—%
Rate of compensation increase	3.80%	3.90%	3.90%	3.80%	3.90%	3.90%

Assumptions Used to Determine Benefit Obligations at the Measurement Date	Pension Benefits		Retiree Health and Welfare Benefits	
	December 31, 2008	September 30, 2007	December 31, 2008	September 30, 2007
Discount rate	5.75%	6.00%	5.75%	6.00%
Rate of compensation increase	3.80%	3.80%	3.80%	3.80%

The following table presents assumed health care cost trend rates:

December 31,	2008	2007	2006
Assumed health care cost trend rate for next year	9.75%	10.50%	10.00%
Rate to which health care cost trend rate is expected to decline and remain	5.00%	5.00%	5.00%
Year that the rate reaches the ultimate trend rate	2016	2016	2012

Assumed health care cost trend rates have a significant effect on the amounts reported for the health care plans. A one percentage point change in assumed health care cost trend rates would have the following effects (in millions):

	One Percentage-Point Increase	One Percentage-Point Decrease
Effect on total service and interest cost	\$ 2	\$ (1)
Effect on postretirement benefit obligation	\$ 20	\$ (17)

The BNSF Retirement Plan asset allocation at December 31, 2008, and September 30, 2007, and the target allocation for 2008 by asset category are as follows:

Plan Asset Allocation	Target Allocation	Percentage of Pension Plan Assets	
	2008	December 31, 2008	September 30, 2007
Equity Securities	45 – 75%	55%	63%
Fixed Income Securities	20 – 40%	30	27
Real Estate	5 – 15%	15	10
Total		100%	100%

The general investment objective of the BNSF Retirement Plan is to grow the plan assets in relation to the plan liabilities while prudently managing the risk of a decrease in the plan's assets relative to those liabilities. To meet this objective, the Company's management has adopted the above asset allocation ranges. This allows flexibility to accommodate market changes in the asset classes within defined parameters.

Based on its current assumptions and funding methodology, the Company is not required to make contributions to the BNSF Retirement Plan in 2009. However, the Company may elect to make voluntary contributions in 2009. The amount of any contribution will be influenced by many factors, including, but not limited to, market return on plan assets, funding assumptions, legislative funding relief, etc. The Company expects to make benefit payments in 2009 of approximately \$8 million and \$24 million from its non-qualified defined benefit and retiree health and welfare plans, respectively.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION-EXPLANATORY NOTES-Continued**NOTES TO FINANCIAL STATEMENTS**

The following table shows the funded status, defined as plan assets less the projected benefit obligation, as of December 31 (in millions):

	Pension Benefits		Retiree Health and Welfare Benefits	
	2008	2007	2008	2007
Funded status (plan assets less projected benefit obligations)	\$ (806)	\$ (173)	\$ (269)	\$ (299)

Of the combined pension and retiree health and welfare benefits liability of \$1,075 million and \$472 million recognized as of December 31, 2008 and 2007, respectively, \$28 million was included in other current liabilities as of both dates.

Actuarial gains and losses and prior service costs are recognized in the Consolidated Balance Sheets through an adjustment to AOCL. Beginning in 2007, the Company recognized actuarial gains and losses and prior service costs in AOCL as they arose. The following table shows the pre-tax change in AOCL attributable to the components of the net cost and the change in benefit obligation (in millions):

Change in AOCL	Pension Benefits			Retiree Health and Welfare Benefits		
	2008	2007	2006	2008	2007	2006
Balance at January 1,	\$ 233	\$ 429	\$ 417	\$ 46	\$ 48	\$ -
Decrease in minimum liability included in other comprehensive loss prior to adoption of SFAS No. 158	-	-	(64)	-	-	-
SFAS No. 158 adoption adjustment	-	-	76	-	-	48
SFAS No. 158 measurement date adjustment	(4)	-	-	1	-	-
Amortization of actuarial loss	(16)	(35)	-	(5)	(6)	-
Amortization of prior service credit	-	-	-	8	8	-
Actuarial loss (gain)	621	(161)	-	(36)	(4)	-
Balance at December 31,	\$ 834	\$ 233	\$ 429	\$ 14	\$ 46	\$ 48

The estimated net actuarial loss and prior service credit for these defined benefit pension plans that will be amortized from AOCL into net periodic benefit cost over the next fiscal year is expected to be \$25 million and less than \$1 million, respectively. The estimated net actuarial loss and prior service credit for the retiree health and welfare benefit plans that will be amortized from AOCL into net periodic benefit cost over the next fiscal year is expected to be \$1 million and \$6 million, respectively. Pre-tax amounts currently recognized in AOCL consist of the following (in millions):

	Pension Benefits		Retiree Health and Welfare Benefits	
	2008	2007	2008	2007
Net actuarial loss	\$ 834	\$ 234	\$ 26	\$ 67
Prior service credit	-	(1)	(12)	(21)
Pre-tax amount recognized in AOCL at December 31,	834	233	14	46
After-tax amount recognized in AOCL at December 31,	\$ 515	\$ 143	\$ 9	\$ 28

The expected long-term rate of return is the return the Company anticipates earning, net of plan expenses, over the period that benefits are paid. It reflects the rate of return on present investments and on expected contributions. In determining the expected long-term rate of return, BNSF Railway considered the following: (i) forward looking capital market forecasts; (ii) historical returns for individual asset classes; and (iii) the impact of active portfolio management.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION-EXPLANTORY NOTES-Continued

NOTES TO FINANCIAL STATEMENTS

Components of the net cost for these plans were as follows (in millions):

Year ended December 31,	Pension Benefits			Retiree Health and Welfare Benefits		
	2008	2007	2006	2008	2007	2006
Service cost	\$ 25	\$ 25	\$ 25	\$ 2	\$ 2	\$ 3
Interest cost	102	97	94	18	17	15
Expected return on plan assets	(112)	(105)	(97)	—	—	—
Amortization of net loss	16	35	46	5	6	3
Amortization of prior service credit	—	—	—	(8)	(8)	(7)
Net cost recognized	\$ 31	\$ 52	\$ 68	\$ 17	\$ 17	\$ 14

The projected benefit obligation is the present value of benefit earned to date by plan participants, including the effect of assumed future salary increases and expected healthcare cost trend rate increases. The following table shows the change in projected benefit obligation based on the respective measurement dates (in millions):

Change in Benefit Obligation	Pension Benefits		Retiree Health and Welfare Benefits	
	December 31, 2008 ^a	September 30, 2007	December 31, 2008 ^a	September 30, 2007
Benefit obligation at beginning of period	\$ 1,763	\$ 1,830	\$ 304	\$ 311
Service cost	32	25	3	2
Interest cost	127	97	22	17
Plan participants' contributions	—	—	11	8
Actuarial loss (gain)	86	(59)	(36)	(3)
Medicare subsidy	—	—	2	2
Benefits paid	(168)	(130)	(37)	(33)
Projected benefit obligation at end of period	1,840	1,763	269	304
Component representing future salary increases	(82)	(57)	—	—
Accumulated benefit obligation at end of period	\$ 1,758	\$ 1,706	\$ 269	\$ 304

^a In September 2006, the FASB issued SFAS No. 158, *Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans— an amendment of FASB Statements No. 87, 88, 106 and 132R*, which prospectively eliminated the option for the Company to use a measurement date prior to the Company's fiscal year-end effective December 31, 2008. The measurement date for 2008 and 2007 is December 31, and September 30, respectively. As a result, 2008 includes 15 months worth of activity.

Both the BNSF Retirement Plan and the BNSF Supplemental Retirement Plan had accumulated and projected benefit obligations in excess of plan assets at December 31, 2008, and September 30, 2007.

The following table shows the change in plan assets of the plans based on the respective measurement dates (in millions):

Change in Plan Assets	Pension Benefits		Retiree Health and Welfare Benefits	
	December 31, 2008 ^a	September 30, 2007	December 31, 2008 ^a	September 30, 2007
Fair value of plan assets at beginning of period	\$ 1,588	\$ 1,394	\$ —	\$ —
Actual return on plan assets	(395)	208	—	—
Employer contribution	9	116	24	23
Plan participants' contributions	—	—	11	8
Medicare subsidy	—	—	2	2
Benefits paid	(168)	(130)	(37)	(33)
Fair value of plan assets at measurement date	\$ 1,034	\$ 1,588	\$ —	\$ —
Adjustment for fourth quarter contribution	n/a	\$ 2	n/a	\$ 5

^a In September 2006, the FASB issued SFAS No. 158, *Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans— an amendment of FASB Statements No. 87, 88, 106 and 132R*, which prospectively eliminated the option for the Company to use a measurement date prior to the Company's fiscal year-end effective December 31, 2008. The measurement date for 2008 and 2007 is December 31, and September 30, respectively. As a result, 2008 includes 15 months worth of activity.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION-EXPLANATORY NOTES-Continued

NOTES TO FINANCIAL STATEMENTS

Note 2**Employment Benefit Plans**

BNSF sponsors a funded, noncontributory qualified pension plan, the BNSF Retirement Plan, which covers most non-union employees, and an unfunded non-tax-qualified pension plan, the BNSF Supplemental Retirement Plan, which covers certain officers and other employees. The benefits under these pension plans are based on years of credited service and the highest consecutive sixty months of compensation for the last ten years of salaried employment with BNSF. BNSF's funding policy is to contribute annually not less than the regulatory minimum and not more than the maximum amount deductible for income tax purposes with respect to the funded plan.

Certain salaried employees of BNSF Railway that have met age and years of service requirements are eligible for life insurance coverage and medical benefits, including prescription drug coverage, during retirement. This postretirement benefit plan, referred to as the retiree health and welfare plan, is contributory and provides benefits to retirees, their covered dependents and beneficiaries. Retiree contributions are adjusted annually. The plan also contains fixed deductibles, coinsurance and out-of-pocket limitations. The basic life insurance plan is noncontributory and covers retirees only. Optional life insurance coverage is available for some retirees; however, the retiree is responsible for the full cost. BNSF Railway's policy is to fund benefits payable under the medical and life insurance plans as they come due. Generally, employees beginning salaried employment with BNSF Railway subsequent to September 22, 1995, are not eligible for medical benefits during retirement.

In September 2006, the FASB issued SFAS No. 158, *Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans—an amendment of FASB Statements No. 87, 88, 106 and 132R*, which requires the recognition of the overfunded or underfunded status of a defined benefit postretirement plan in the Company's Consolidated Balance Sheets. This portion of the new guidance was adopted by the Company on December 31, 2006. Additionally, the pronouncement eliminates the option for the Company to use a measurement date prior to the Company's fiscal year-end effective December 31, 2008. SFAS No. 158 provides two approaches to transition to a fiscal year-end measurement date, both of which are to be applied prospectively. BNSF Railway elected to apply the transition option under which a 15-month measurement was determined as of September 30, 2007 that covered the period until the fiscal year-end measurement was required on December 31, 2008. As a result, the Company recorded a \$7 million decrease to retained earnings in January 2008.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION-EXPLANTORY NOTES-Continued

NOTES TO FINANCIAL STATEMENTS

Note 1**The Company**

BNSF Railway Company and its majority-owned subsidiaries, (collectively, BNSF Railway or Company) is a wholly-owned subsidiary of Burlington Northern Santa Fe Corporation (BNSF). BNSF Railway operates one of the largest railroad networks in North America with approximately 32,000 route miles in 28 states and two Canadian provinces. Through one operating transportation services segment, BNSF Railway transports a wide range of products and commodities including the transportation of Consumer Products, Industrial Products, Coal and Agricultural Products, derived from manufacturing, agricultural and natural resource industries, which constituted 34 percent, 23 percent, 23 percent and 20 percent, respectively, of total freight revenues for the year ended December 31, 2008.

BNSF Railway was formerly known as the Burlington Northern Railroad Company (BNRR). On December 31, 1996, The Atchison, Topeka and Santa Fe Railway Company (ATSF) merged with and into BNRR and the name of the surviving entity, BNRR, was changed to The Burlington Northern and Santa Fe Railway Company. On January 2, 1998, BNSF Railway's parent, Santa Fe Pacific Corporation (SFP), merged with and into BNSF Railway. On January 20, 2005, The Burlington Northern and Santa Fe Railway Company changed its name to BNSF Railway Company.

BNSF Acquisition, Inc. (BNSF Acquisition), a wholly-owned subsidiary of BNSF was merged with and into BNSF Railway on March 18, 2008. BNSF Acquisition was formed on April 17, 1996 as the vehicle to acquire Washington Central Railroad Company, Inc. SFAS No. 141, *Business Combinations*, carries forward without reconsideration the previous guidance related to the combination of entities under common control in Accounting Principles Board Opinion No. 16, *Business Combinations*. Accordingly, the information affected by this merger has been retrospectively revised herein.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES - Continued

7. Give particulars with respect to contingent assets and liabilities at the close of the year, in accordance with instruction 5-6 in the Uniform System of Accounts for Railroad Companies, that are not reflected in the amounts of the respondent.

Disclose the nature and amount of contingency that is material.

Examples of contingent liabilities are items which may become obligations as a result of pending or threatened litigation, assessments or possible assessments of additional taxes, and agreements or obligations to repurchase securities or property. Additional pages may be added if more space is needed. (Explain and/or reference to the following pages.)

See Note 3 on pages 15 -15A and Note 5 on pages 15F - 15K

(a) Changes in valuation accounts.

8. Marketable equity securities.

None

		Cost	Market	Dr. (Cr.) to Income	Dr. (Cr.) to Stockholder's Equity
(Current Yr.)	Current Portfolio	N/A	N/A	N/A	N/A
as of / /	Noncurrent Portfolio	N/A	N/A	N/A	N/A
(Previous Yr.)	Current Portfolio	N/A	N/A	N/A	N/A
as of / /	Noncurrent Portfolio	N/A	N/A	N/A	N/A

(b) At 12/31/05, gross unrealized gains and losses pertaining to marketable equity securities were as follows:

	Gains	Losses
Current	\$0	\$0
Noncurrent	\$0	\$0

(c) A net unrealized gain (loss) of \$ 0 on the sale of marketable equity securities was included in net income for 2008.
The cost of securities was based on the N/A (method) cost of all the shares of each security held at time of sale.

Significant net realized and net unrealized gains and losses arising after date of the financial statements but prior to the filing, applicable to marketable equity securities owned at balance sheet date shall be disclosed below: None

NOTE: 12 / 31 / 08 Balance sheet date of reported year unless specified as previous year.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES
(Dollars in Thousands)

The notes listed below are provided to disclose supplementary information on matters which have an important effect on the financial condition of the carrier. The carrier shall give the particulars called for herein and where there is nothing to report, insert the word "none"; and in addition thereto shall enter in separate notes with suitable particulars other matters involving material amounts of the character commonly disclosed in financial statements under generally accepted accounting principles, except as shown in other schedules. This includes statements explaining (1) service interruption insurance policies and indicating the amount of indemnity to which respondent will be entitled for work stoppage losses and the maximum amount of additional premium respondent may be obligated to pay in the event such losses are sustained by other railroads; (2) particulars concerning obligations for stock purchase options granted to officers and employees; and (3) what entries have been made for net income or retained income restricted under provisions of mortgages and other arrangements.

1. Amount (estimated, if necessary) of net income or retained income which has to be provided for capital expenditures, and for sinking funds, pursuant to provisions of reorganization plans, mortgages, deeds of trust, or other contracts. \$ None

2. Estimated amount of future earnings which can be realized before paying Federal income taxes because of unused and available net operating loss carryover on January 1 of the year following that for which the report is made. \$ None

3. (a) Explain the procedure in accounting for pension funds and recording in the accounts the current and past service pension costs, indicating whether or not consistent with the prior year.

See Note 2 on page 10 - 14

(b) State amount, if any, representing the excess of the actuarially computed value of vested benefits over the total of the pension fund.

See Note 2 on page 10 - 14

(c) Is any part of the pension plan funded? Specify. Yes ☒ No ☐

If funding is by insurance, give name of insuring company None

If funding is by trust agreement, list trustee(s) Northern Trust Company

Date of trust agreement or latest amendment June 21, 1996

If respondent is affiliated in any way with the trustee(s), explain affiliation: Not Affiliated

(d) List affiliated companies which are included in the pension plan funding agreement and describe basis for allocating charges under the agreement.

See Note 2 on page 10 - 14

(e) Is any part of the pension plan fund invested in stock or other securities of the respondent or its affiliates? Specify Yes ☐ No ☒
If yes, give number of the shares for each class of stock or other security.

Are voting rights attached to any securities held by the pension plan? Specify Yes ☐ No ☒

If yes, who determines how stock is voted?

4. State whether a segregated political fund has been established as provided by the Federal Election Campaign Act of 1971 (18 U.S.C. 610).
Yes ☒ No ☐

5. (a) The amount of employer's contribution to employee stock ownership plans for the current year was \$ None

(b) The amount of investment tax credit used to reduce current income tax expense resulting from contributions to qualified employee stock ownership plans for the current year was \$ None

6. In reference to Docket 37465, specify the total amount of business entertainment expenditures charged to the non-operating expense account. \$ None

Continued on following page

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - LIABILITIES AND SHAREHOLDERS' EQUITY
(Dollars in Thousands)

Line No.	Cross Check	Account	Title (a)	Balance at close of year (b)	Balance at begin- ing of year (c)	Line No.
Current Liabilities						
30		751	Loans and notes payable			30
31		752	Accounts payable: interline and other balances	52,011	74,765	31
32		753	Audited accounts and wages	251,021	197,801	32
33		754	Other accounts payable	164,527	199,848	33
34		755, 756	Interest and dividends payable	20,395	37,683	34
35		757	Payables to affiliated companies	60,364	14,640	35
36		759	Accrued accounts payable	2,015,592	1,635,041	36
37		760, 761, 761.5				37
		762	Taxes accrued	498,489	496,830	
38		763	Other current liabilities	50,322	164,328	38
39		764	Equipment obligations and other long-term debt due within one year	253,967	210,402	39
40			TOTAL CURRENT LIABILITIES	3,366,688	3,031,338	40
Non-Current Liabilities						
41		765, 767	Funded debt unmatured	568,219	509,032	41
42		766	Equipment obligations	198,065	244,370	42
43		766.5	Capitalized lease obligations	1,081,069	785,528	43
44		768	Debt in default	-	-	44
45		769	Accounts payable: affiliated companies	-	-	45
46		770.1, 770.2	Unamortized debt premium	(26,327)	(27,737)	46
47		781	Interest in default	-	-	47
48		783	Deferred revenues - transfers from govt. authorities	495,284	435,718	48
49		786	Accumulated deferred income tax credits	8,513,435	8,384,123	49
50		771, 772, 774, 775, 782, 784	Other long-term liabilities and deferred credits	3,394,977	2,499,985	50
51			TOTAL NON-CURRENT LIABILITIES	14,224,722	12,831,019	51
Shareholders' Equity						
52		791, 792	Total capital stock	1	1	52
53			Common stock	1	1	53
54			Preferred stock	-	-	54
55			Discount on capital stock	-	-	55
56		794, 795	Additional capital	6,330,942	6,330,942	56
Retained earnings:						
57		797	Appropriated	-	-	57
58		798	Unappropriated	11,780,086	10,977,125	58
59		798.1	Net unrealized loss on noncurrent marketable equity securities	-	-	59
60		798.5	Less treasury stock	-	-	60
61			Net stockholders equity	18,111,029	17,308,068	61
62			TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	35,702,439	33,170,425	62

NOTES AND REMARKS

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - ASSETS
(Dollars in Thousands)

Line No.	Cross Check	Account	Title (a)	Balance at close of year (b)	Balance at beginning of year (c)	Line No.
Current Assets						
1		701	Cash	209,072	23,549	1
2		702	Temporary cash investments	-	-	2
3		703	Special deposits	-	-	3
			Accounts receivable	-	-	
4		704	- Loan and notes	-	-	4
5		705	- Interline and other balances	120,751	102,220	5
6		706	- Customers	606,826	542,380	6
7		707	- Other	89,323	72,357	7
8		709, 708	- Accrued accounts receivables	56,865	77,580	8
9		708.5	- Receivables from affiliated companies	53,281	44,320	9
10		709.5	- Less: Allowance for uncollectible accounts	(53,820)	(34,110)	10
11		710, 711, 714	Working funds prepayments deferred income tax debits	598,255	401,420	11
12		712	Materials and supplies	523,409	578,854	12
13		713	Other current assets	172,958	205,780	13
14			TOTAL CURRENT ASSETS	2,376,920	2,014,350	14
Other Assets						
15		715, 716, 717	Special funds	6,960	7,163	15
16		721, 721.5	Investments and advances affiliated companies (Schs. 310 and 310A)	337,072	327,667	16
17		722, 723	Other investments and advances			17
18		724	Allowances for net unrealized loss on noncurrent marketable equity securities - Cr.	-	-	18
19		737, 738	Property used in other than carrier operation (Less depreciation)	65,200	65,203	19
20		739, 741	Other assets	142,485	142,457	20
21		743	Other deferred debits	1,899,006	1,051,384	21
22		744	Accumulated deferred income tax debits	-	-	22
23			TOTAL OTHER ASSETS	2,450,723	1,593,874	23
Road and Equipment						
24		731, 732	Road (Sch. 330) L-30 Col h & b	33,458,800	31,914,397	24
25		731, 732	Equipment (Sch 330) L-39 Col h & b	6,894,571	6,585,802	25
26		731, 732	Unallocated items	842,196	624,637	26
27		733, 735	Accumulated depreciation and amortization (Schs. 335, 342, 351)	(10,320,771)	(9,562,635)	27
28			Net Road and Equipment	30,874,796	29,562,201	28
29			TOTAL ASSETS	35,702,439	33,170,425	29

NOTES AND REMARKS

C. VOTING POWERS AND ELECTIONS - Continued

10. State the total number of votes cast at the latest general meeting for the election of directors of the respondent: "Not Applicable"
Refer to note shown under inquiry 9.
11. Give the date of such meeting: "Not Applicable" - Refer to note shown under inquiry 9.
12. Give the place of such meeting: "Not Applicable" - Refer to note shown under inquiry 9.

NOTES AND REMARKS

Consolidated Subsidiaries:

BNSF Railway Company
SFP Pipeline, Inc.
Rio Grande, El Paso and Santa Fe Railroad
Los Angeles Junction Railroad
Star Lake Railroad Company
Santa Fe Receivables Corp
The Zia Company
Santa Fe Pacific Pipeline Holdings, Inc.
BNSF Manitoba, Inc.
BNSF de Mexico SA de CV
Pine Canyon Land Company
Santa Fe Pacific Insurance Company
Santa Fe Pacific Railroad Company
BNSF British Columbia, Ltd
BNSF Properties
BN Manitoba, Ltd
Western Fruit Express Company
BNRR Holdings
Winona Bridge Railway Company
Burlington Northern International Services, Inc.
Burlington Northern Leasing Corp
Midwest Northwest Property Inc.
BNSF Equipment Acquisition Co. LLC
Bayrail, LLC
Bayport Systems, Inc.
San Jacinto Rail, Ltd

Inactive Subsidiaries:

Northern Radio Limited (British Columbia)

C. VOTING POWERS AND ELECTIONS

1. State the par value of each share of stock: Common \$1.00 per share; first preferred, \$ N/A per share; second preferred, \$ N/A per share; debenture stock, \$ N/A per share.

2. State whether or not each share of stock has the right to one vote; if not, give full particulars in a footnote. [X] Yes [] No

3. Are voting rights proportional to holdings? [X] Yes [] No. If not, state in a footnote the relation between holdings and corresponding voting rights.

4. Are voting rights attached to any securities other than stock? [] Yes [X] No. If yes, name in a footnote each security, other than stock, to which voting rights are attached (as of the close of the year), and state in detail the relation between holdings and corresponding voting rights, indicating whether voting rights are actual or contingent and, if contingent, showing the contingency.

5. Has any class or issue of securities any special privileges in the election of directors, trustees, or managers, or in the determination of corporate action by any method? [] Yes [X] No. If yes, describe fully in a footnote each such class or issue and give a succinct statement showing clearly the character and extent of such privileges.

6. Give the date of the latest closing of the stock book prior to the actual filing of this report, and state the purpose of such closing.

Stock books not closed and not required to be closed.

7. State the total voting power of all security holders of the respondent at the date of such closing, if within one year of the date of such filing; if not, state as of the close of the year. 1,000 votes, as of December 31, 2008.

8. State the total number of stockholders of record, as of the date shown in answer to Inquiry 7. One (1) stockholder.

9. Give the names of 30 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of the list of stockholders of the respondent (if within 1 year prior to the actual filing of this report), had the highest voting powers in the respondent, showing for each his or her address, the number of votes he or she would have had a right to cast on that date had a meeting then been in order, and the classification of the number of votes to which he or she was entitled, with respect to securities held by him or her, such securities being classified as common stock, second preferred stock, first preferred stock, and other securities (stating in a footnote the names of such other securities, if any). If any such holder held in trust, give (in a footnote) the particulars of the trust. In the case of voting trust agreements, give as supplemental information and the names and addresses of the 30 largest holders of the voting trust certificates and the amount of their individual holdings. If the stock book was not closed or the list of stockholders compiled within such year, show such 30 security holders as of the close of the year.

Line No.	Name of Security Holder (a)	Address of Security Holder (b)	Number of Votes to Which Security Holder Was Entitled (c)	Number of Votes, Classified With Respect to Securities on Which Based			Line No.
				Stock			
				Common (d)	Preferred		
Second (e)	First (f)						
1	Burlington Northern Santa Fe Corporation	2650 Lou Menk Drive	1,000	1,000			1
2		Fort Worth, TX 76131					2
3							3
4							4
5							5
6							6
7							7
8							8
9							9
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24							24
25							25
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29							29
30							30

B. IDENTITY OF RESPONDENT

Answers to the questions asked should be made in full, without reference to data returned on the corresponding page of previous reports. In case any changes of the nature referred to under Inquiry 4 on this page have taken place during the year covered by this report, they should be explained in full detail.

1. Give the exact name of the respondent in full. Use the words, "The" and "Company" only when they are parts of the corporate name. Be careful to distinguish between railroad and railway. The corporate name should be given uniformly throughout the report, notably on the cover, on the title page, and in the "Verification." If the report is made by receivers, trustees, a committee of bondholders, or individuals otherwise in possession of the property, state names and facts with precision. If the report is for a consolidated group, pursuant to Special Permission from the Board, indicate such fact on line 1 below and list the consolidated group on page 4.

2. If incorporated under a special charter, give date of passage of the act; if under a general law, give date of filing certificate of organization; if a reorganization has been effected, give date of reorganization. If a receivership or other trust, also give date when such receivership or other possession began. If a partnership, give date of formation and also names in full of present partners.

3. State the occasion for the reorganization, whether by reason of foreclosure of mortgage or otherwise, according to the fact. Give date of organization of original corporation and refer to laws under which organized.

1. Exact Name of common carrier making this report:

BNSF Railway Company

2. Date of incorporation:

January 13, 1961

3. Under laws of what Government, State or Territory organized? If more than one, name all. If in bankruptcy, give court of jurisdiction and dates of beginning of receivership and of appointment of receivers or trustees:

Organized under the provisions of the General Corporation Law of the State of Delaware.

4. If the respondent was reorganized during the year, involved in a consolidation or merger, or conducted its business under a different name, give full particulars:

STOCKHOLDERS' REPORTS

5. The respondent is required to send the Office of Economic and Environmental Analysis, immediately upon preparation, two copies of its latest annual report to stockholders.

Check appropriate box:

() Two copies are attached to this report.

() Two copies will be submitted on: _____ (date)

(X) No annual report to stockholders is prepared.

Two copies of the Burlington Northern Santa Fe Corporation Annual Report to Shareholders are attached.

Two copies of BNSF Railway Company SEC Form 10-K are attached.

A. SCHEDULES OMITTED BY RESPONDENT

- 1. The respondent, at its option, may omit pages from this report provided there is nothing to report or the schedules are not applicable.
- 2. Show below the pages excluded, as well as the schedule number and title, in the space provided below.
- 3. If no schedules were omitted indicate "NONE."

Page	Schedule No.	Title
		NONE

SPECIAL NOTICE

Docket No. 38559 Railroad Classification Index, (ICC served January 20, 1983), modified the reporting requirements for Class II, Class III and Switching and Terminal Companies. These carriers will notify the Board only if the calculation results in a different revenue level than its current classification.

The dark borders on the schedules represents data that are captured by the Board.

It is estimated that an average of 800 burden hours per response are required to complete this collection of information. This estimate includes time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Comments concerning the accuracy of this burden estimate or suggestions for reducing this burden should be directed to the Office of the Secretary, Surface Transportation Board.

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ANNUAL REPORT

OF

BNSF RAILWAY COMPANY

TO THE

SURFACE TRANSPORTATION BOARD

FOR THE

YEAR ENDED DECEMBER 31, 2008

Name, official title, telephone number, and office address of officer in charge of correspondence with the Board regarding this report.

(Name) Paul W. Bischler (Title) Vice President & Controller

(Telephone number) (817) 352-4940
(Area code) (Telephone number)

(Office address) 2500 Lou Menk Dr - 2nd Floor, Fort Worth, Texas 76131
(Street and number, City, State, and ZIP code)

The information in this report is compiled and published on the Board's website, www.stb.dot.gov, where it may be maintained indefinitely. In addition, paper copies of individual reports are maintained by the Board for ten years, after which they are destroyed. All information collected through this report is available to the public.

The OMB control number for this collection is 2140-0007. The display of a currently valid OMB Control number is required by law.

Supplemental Information about the Annual Report of Cars Loaded and Cars Terminated (Form STB-54)

This information collection is mandatory pursuant to 49 U.S.C. 11162 and 49 CFR 1247.

The estimated hour burden for filing this report is four hours per report.

The Board uses information in this report to forecast labor costs and measure the efficiency of the reporting railroads. Information in this report is entered into the Board's URCS. In addition, many other Federal agencies and industry groups, including the Department of Transportation and the Association of American Railroads (AAR), depend on Form STB-54 for information regarding the number of cars loaded and terminated on the reporting carrier's line.

All information collected through this report is available to the public. Paper copies of individual reports are maintained by the Board for ten years, after which they are destroyed.

The OMB control number for this collection is 2140-0011. The display of a currently valid OMB control number is required by law.

Supplemental Information about the Quarterly Report of Freight Commodity Statistics (Form QCS)

This information collection is mandatory pursuant to 49 U.S.C. 11145 and 49 CFR 1248.

The estimated hour burden for filing this report is 217 hours per report.

Information in this report is entered into the Board's URCS.

All information collected through this report is available to the public. Paper copies of individual reports are maintained by the Board for ten years, after which they are destroyed.

The OMB control number for this collection is 2140-0001. The display of a currently valid OMB control number is required by law.

For Index, See Back of Form

The Board uses the information in this report to ensure competitive, efficient, and safe transportation through general oversight programs that monitor and forecast the financial and operating condition of railroads, and through regulation of railroad rate and service issues and rail restructuring proposals, including railroad mergers, consolidations, acquisitions of control and abandonments. Information from the reports is used by the Board, other Federal agencies and industry groups to monitor and assess industry growth and operations, detect changes in carrier financial stability, and identify trends that may affect the national transportation system. Individual and aggregate carrier information is needed in our decision making process.

Information from these reports is compiled by the Board and published on its website www.stb.dot.gov, where it may be maintained indefinitely. The compilation report is entitled Class I Railroads. Selected Earnings Data. In addition, paper copies of individual reports are maintained by the Board for ten years, after which they are destroyed. All information collected through this report is available to the public.

The display of a currently valid OMB control number for this collection is required by law.

Supplemental Information about the Report of Railroad Employees, Service, and Compensation (Wage Forms A & B)

This information collection is mandatory pursuant to 49 D.S.C. 11145 and 49 CFR 1245.2.

The estimated hour burden for filing this report is 30 hours per quarterly report and 40 hours per annual report.

The Board uses information in this report to forecast labor costs and measure the efficiency of the reporting railroads. The information is also used by the Board to evaluate proposed regulated transactions that may impact rail employees. These transactions include mergers and consolidations, acquisitions of control, purchases, and abandonments. Other Federal agencies and industry groups, including the Railroad Retirement Board, the Bureau of Labor Statistics, and the Association of American Railroads, depend on the information contained in the reports to monitor railroad operations.

Certain information from the reports is compiled and published on the Board's website, www.stb.dot.gov, where it may be maintained indefinitely. In addition, paper copies of individual reports are maintained by the Board for ten years, after which they are destroyed. All information collected through this report is available to the public.

The OMB control number for this collection is 2140-0004. The display of a currently valid OMB control number is required by law.

Supplemental Information about the Monthly Report of Number of Employees of Class I Railroads (Wage Form C)

This information collection is mandatory pursuant to 49 D.S.C. 11145 and 49 CFR 1246.1.

The estimated hour burden for filing this report is 1.25 hours per monthly report.

The Board uses information in this report to forecast labor costs and measure the efficiency of the reporting railroads. The information is also used by the Board to evaluate proposed regulated transactions that may impact rail employees, including mergers and consolidations, acquisitions of control, purchases, and abandonments. Other Federal agencies and industry groups, including the Railroad Retirement Board, the Bureau of Labor Statistics, and the Association of American Railroads, depend on the information contained in the reports to monitor railroad operations.

This information collection is mandatory pursuant to 49 U.S.C. 11145.

The estimated hour burden for filing this report is less than 800 hours.

Information in the Annual Reports is used to monitor and assess railroad industry growth, financial stability, traffic, and operations and to identify industry changes that may affect national transportation policy. In addition, the Board uses data from these reports to more effectively carry out regulatory responsibilities, such as acting on railroad requests for authority to engage in Board regulated financial transactions (for example, mergers, acquisitions of control, consolidations, and abandonments); conducting investigations and rulemakings; conducting rail revenue adequacy proceedings; developing rail cost adjustment factors; and developing the URCS, which is a cost measurement methodology. URCS was developed by the Board pursuant to 49 U.S.C. 11161 and is used as a tool in rail rate proceedings to calculate the variable costs associated with providing a particular service in accordance with 49 U.S.C. 10707(d). The Board also uses URCS to analyze the information that it obtains through the annual railroad industry waybill sample, see 49 CFR 1244, and in railroad abandonment proceedings to measure off-branch costs, pursuant to 49 U.S.C. 10904(a) and in accordance with 49 CFR 1152.32(n).

The information in this report is ordinarily maintained by the agency in hard copy for 10 years, after which it is transferred to the National Archives, where it is maintained as a permanent record. These reports are also maintained by the agency indefinitely on microfiche. In addition, some of this information is posted on the Board's website, www.stb.dot.gov, where it may remain indefinitely. All information collected through this report is available to the public.

The OMB control number for this collection is 2140-0009. The display of a currently valid OMB control number is required by law.

Supplemental Information about the Quarterly Condensed Balance Sheet (CBS)

This information collection is mandatory under 49 CFR 1243.2.

The estimated hour burden for filing this report is six hours per report.

The Board uses the information in this report to ensure competitive, efficient, and safe transportation through general oversight programs that monitor and forecast the financial and operating condition of railroads, and through specific regulation of railroad-rate and service issues and rail-restructuring proposals, including railroad mergers, consolidations, acquisitions of control, and abandonments. Information from the reports is used by the Board, other Federal agencies, and industry groups, including the Association of American Railroads, to assess industry growth and operations, detect changes in carrier financial stability, and identify trends that may affect the national transportation system.

Information from these reports is compiled by the Board and published on its website, www.stb.dot.gov, where it may be maintained indefinitely. The compilation report is entitled Class I Railroads. Selected Earning Data. In addition, paper copies of individual reports are maintained by the Board for ten years, after which they are destroyed. All information collected through this report is available to the public.

The display of a currently valid OMB control number for this collection is required by law.

Supplemental Information about the Quarterly Report of Revenues, Expenses, and Income (Form RE&I)

This information collection is mandatory pursuant to 49 U.S.C. 11164 and 49 CFR 1243.1.

The estimated hour burden for filing this report is six hours per report.

NOTICE

1. This report is required for every class I railroad operating within the United States. Three copies of this Annual Report should be completed. Two of the copies must be filed with the Surface Transportation Board, Office of Economics, Environmental Analysis, and Administration, The Mercury Building, 1925 K St. N.W., Suite 500, Washington, DC 20423, by March 31 of the year following that for which the report is made. One copy should be retained by the carrier.
2. Every inquiry must be definitely answered. Where the word "none" truly and completely states the fact, it should be given as the answer. If any inquiry is inapplicable, the words "not applicable" should be used.
3. Wherever the space provided in the schedules is insufficient to permit a full and complete statement of the requested information, inserts should be prepared and appropriately identified by the number of the schedule.
4. All entries should be made in a permanent black ink or typed. Those of a contrary character must be indicated in parenthesis. Items of an unusual character must be indicated by appropriate symbols and explained in footnotes.
5. Money items, except averages, throughout the annual report form should be shown in thousands of dollars adjusted to accord with footings. Totals for amounts reported in subsidiary accounts included in supporting schedules must be in agreement with related primary accounts. For purposes of rounding, amounts of \$500 but less than \$1,000 should be raised to the nearest thousand dollars, and amounts of less than \$500 should be lowered.
6. Except where the context clearly indicates some other meaning, the following terms when used in this Form have the following meanings:
 - (a) Board means *Surface Transportation Board*.
 - (b) Respondent means *the person or corporation in whose behalf the report is made*.
 - (c) Year means *the year ended December 31 for which the report is being made*.
 - (d) Close of the Year means *the close of business on December 31 for the year in which the report is being made*. If the report is made for a shorter period than one year, it means *the close of the period covered by the report*.
 - (e) Beginning of the Year means *the beginning of business on January 1 of the year for which the report is being made*. If the report is made for a shorter period than one year, it means *the beginning of that period*.
 - (f) Preceding Year means *the year ended December 31 of the year preceding the year for which the report is made*.
 - (g) The Uniform System of Accounts for Railroad Companies means *the system of accounts in Part 1201 of Title 49, Code of Federal Regulations, as amended*.
7. The ICC Termination Act of 1995 abolished the Interstate Commerce Commission and replaced it with the Surface Transportation Board. Any references to the Interstate Commerce Commission or Commission contained in this report refer to the Surface Transportation Board.
8. Any references to the Bureau of Accounts or the Office of Economics contained in this report refer to the Office of Economics, Environmental Analysis, and Administration of the Surface Transportation Board.
9. NOTE - An additional line has been added to Schedule 755 (Line 134) effective with the 2004 R-I. Also note that the instructions for completion of Schedule 755 now have two additional items (Instructions U and V).
10. NOTE - The columns in Schedule 710-Distribution of Locomotive Units In Service of Respondent At Close Of Year, Disregarding Year Of Rebuilding have been revised to reflect new five year periods.
11. NOTE - The following supplemental information about STB information collections is provided in compliance with OMB requirements and pursuant to the Paperwork Reduction Act of 1995, 44 U.S.C. 3501 et seq.:

Supplemental Information about the Annual Report (R-I)

710S. UNIT COST OF EQUIPMENT INSTALLED DURING THE YEAR

(Dollars in Thousands)

1. Give particulars as requested, separately, for the various classes of new units and rebuilt units of equipment installed by respondent during the year. If information regarding the cost of any units installed is not complete at time of filing of report, the units should be omitted, but reference to the number of units omitted should be given in a footnote, the details as to cost to be given in the report of the following year. The cost of units under construction at the close of the year should not be reflected in this schedule even though part of the cost appears in the property account for the year. Indicate in column (e) whether an installation represents equipment purchased (P), built or rebuilt by contract in outside railroad shops (C), or built or rebuilt in company or system shops (S) including units acquired through capitalized leases (L).

2. In column (a) list each class or type of locomotive unit, car, or TOFC/COFC equipment on a separate line. By class is meant the standard classification used to distinguish types of locomotive units, freight cars or other equipment adopted by the Association of American Railroads, and should include physical characteristics requested by Schedule 710. Locomotive units should be identified as to power source, wheel arrangement, and horsepower per unit, such as multiple-purpose diesel locomotive A units (B-B), 2,500 HP. Cars should be identified as to special construction or service characteristics, such as aluminum-covered hopper car (LO), steel boxcars-special service (XAP), etc. For TOFC/COFC show type of equipment as enumerated in Schedule 710.

3. In column (c) show the total weight in tons of 2,000 pounds. The weight of the equipment acquired should be the weight empty.

4. The cost should be the complete cost as entered on the ledger, including foreign line freight charges and handling charges.

5. Data for this schedule should be confined to the units reported in Schedule 710, columns (c) and (e) for locomotive units, passenger-train cars and company service cars and columns (d) and (f) for freight train cars, floating equipment and highway revenue equipment. Disclose new units in the upper section of this schedule and in the lower section disclose rebuilt units acquired or rewritten into the respondent's accounts. The term "new" as used herein shall mean a unit or units placed in service for the first time on any railroad.

6. All unequipped boxcars acquired in whole or in part with incentive per diem funds should be reported on separate lines and appropriately identified by footnote or sub-heading.

NEW UNITS

Line No.	Class of equipment (a)	Number of units (b)	Total weight (tons) (c)	Total cost (\$000) (d)	Method of acquisition (see instructions) (e)	Line No.
1	Diesel-Freight Locomotives	46	5,520	\$ 92,628	L	1
2	Diesel-Freight Locomotives	255	30,600	480,483	P	2
3	Diesel-Multi Purpose Locomotives	29	3,886	39,674	P	3
4	Diesel-Switching Locomotives	1	130	139	P	4
5	Freight-Train Cars					5
6	Covered hopper cars	144	4,464	10,584	L	6
7	Flat cars - TOFC/COFC	142	9,372	26,171	L	7
8	Flat cars - multilevel	100	7,400	28,500	L	8
9	Covered hopper cars	377	11,687	27,709	P	9
10	Flat cars - TOFC/COFC	223	14,718	41,099	P	10
11	Flat cars - multilevel	148	10,952	41,440	P	11
12	Work Equipment Cars					12
13	Work equipment cars - Other Maintenance and Service cars	163	5,323	21,951	P	13
14						14
15						15
16						16
17						17
18						18
19	TOTAL	1,628	104,052	\$ 810,378		19

REBUILT UNITS

20	Freight-Train Cars					20
21	Equipped box cars	53	2,014	\$ 632	S	21
22	Flat cars - multilevel	190	10,070	4,936	C	22
23	Equipped gondola cars	22	682	311	C	23
24	Equipped gondola cars	90	2,790	1,318	S	24
25	Flat cars - other	139	5,838	3,211	C	25
26	Flat cars - other	1	42	19	S	26
27	Open top hopper cars - general	134	4,288	8,013	C	27
28	Open top hopper cars - special	71	2,272	3,991	C	28
29	Covered hopper cars	219	6,789	3,360	S	29
30	Refrigerator cars - nonmechanical	37	1,665	1,337	C	30
31	Tank cars - 22,000 gal. and over	1	29	253	C	31
32	Work Equipment Cars					32
33	Work equipment cars - Business Car	3	219	1,526	C	33
34	Work equipment cars - Business Car	2	146	745	S	34
35	Work equipment cars - Dump and ballast	27	837	857	C	35
36	Work equipment cars - Other Maintenance and Service cars	8	240	100	C	36
37	Work equipment cars - Other Maintenance and Service cars	5	150	127	S	37
38						38
39						39
40	TOTAL	1,002	38,071	\$ 30,736	N/A	40
41	GRAND TOTAL (NEW AND REBUILT)	2,630	142,123	\$ 841,114	N/A	41

GENERAL INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULES 720, 721, 723, AND 726

1. For purposes of these schedules, the track categories are defined as follows:

Track category 1

A - Freight density of 20 million or more gross ton miles per track mile per year (include passing tracks, turnouts and crossovers)

B - Freight density of less than 20 million gross ton miles per track mile per year, but at least 5 million (include passing tracks, turnouts and crossovers)

C - Freight density of less than 5 million gross ton miles per track mile per year, but at least 1 million (include passing tracks, turnouts and crossovers)

D - Freight density of less than 1 million gross ton miles per track mile per year (include passing tracks, turnouts and crossovers)

E - Way and yard switching tracks (passing tracks, crossovers and turnouts shall be included in category A, B, C, D, F, and Potential abandonments, as appropriate).

F - Track over which any passenger service is provided (other than potential abandonments). Mileage should be included within track categories A through E unless there is dedicated entirely to passenger service F.

Potential abandonments - Route segments identified by railroads as potentially subject to abandonment as required by Section 10904 of the Interstate Commerce Act.

2. This schedule should include all class 1, 2, 3, or 4 track from schedule 700 that is maintained by the respondent (class 5 is assumed to be maintained by others).

3. If, for two consecutive years, a line segment classified in one track category maintains a traffic density which would place it in another, it shall be reclassified into that category as of the beginning of the second year.

4. Traffic density related to passenger service shall not be included in the determination of the track category of a line segment.

720. TRACK AND TRAFFIC CONDITIONS

1. Disclose the requested information pertaining to track and traffic conditions.

Line No.	Track Category (a)	Mileage of tracks at end of period (whole numbers) (b)	Average annual traffic density in millions of gross ton-miles per track-mile* (use two decimal places) (c)	Average running speed limit (use two decimal places) (d)	Track miles under slow orders at end of period (e)	Line No.
1	A	21,417	62.22	57.85	1,179.9	1
2	B	6,452	11.55	45.59	286.9	2
3	C	1,618	2.54	30.53	208.3	3
4	D	1,933	0.35	28.25	310.4	4
5	E	8,427	n/a	n/a	n/a	5
6	TOTAL	39,847	44.94	52.10	1,985.5	6
7	F	10,605	n/a	n/a		7
8	Potential abandonments					8

*To determine average density, total track miles (route miles times number of tracks), rather than route-miles, shall be used.

721. TIES LAID IN REPLACEMENT

1. Furnish the requested information concerning ties laid in replacement.
2. In column (j), report the total board feet of switch and bridge ties laid in replacement.
3. The term "spot maintenance" in column (k) means repairs to track components during routine inspections, as opposed to programmed replacements aimed at upgrading the general condition of the tracks. "Percent of spot maintenance" refers to the percentage of total ties or board feet laid in replacement that are considered to be spot maintenance.
4. In line 9, the average cost per tie should include transportation charges on foreign lines, tie trains, loading, inspection, and the cost of handling ties in general supply storage and seasoning yards, and in the case of treating ties, also the cost of handling at treating plants and the cost of treatment. The cost of unloading, hauling over the carrier's own lines, and placing the ties in tracks and of train service other than that necessary in connection with loading or treatment should not be included in this schedule.

Line No.	Track Category (a)	Number of cross-ties laid in replacement										Switch and bridge ties (board feet) (j)	Cross-ties switch and bridge ties % of spot maintenance (k)	Line No.
		New Ties					Second-hand Ties							
		Wooden		Concrete (d)	Other (e)	Wooden		Other (h)	Total (i)					
		Treated (b)	Untreated (c)			Treated (f)	Untreated (g)							
1	A	2,520,587		26,122					2,546,709	3,163,900		1		
2	B	341,730							341,730	948,893		2		
3	C	53,219							53,219	113,375		3		
4	D	11,071							11,071			4		
5	E	81,025		3,870					84,895	633,362		5		
6	TOTAL	3,007,632		29,992					3,037,624	4,859,530		6		
7	F											7		
8	Potential abandonments											8		
9	Average cost per cross-tie	\$ 43.35			\$ 1,182.58									

722. TIES LAID IN ADDITIONAL TRACKS AND IN NEW LINES AND EXTENSIONS

(Dollars in Thousands)

Give particulars of ties laid during the year in new construction during the year.

In column (a), classify the ties as follows:

U - Wooden ties, untreated when applied.

T - Wooden ties, treated before application.

S - Ties other than wooden (steel, concrete, etc.). Indicate type under remarks in column (h).

Report new and second-hand (relay) ties separately, indicating in column (h) which ties are new.

In columns (d) and (g), show the total cost, including transportation charges on foreign lines, tie trains, loading, inspection, and the cost of handling ties in general supply, storage and seasoning yard. In the case of treated ties, also show the cost of handling at treating plants and the cost of treatment. The cost of unloading, hauling over carrier's own lines, and placing the ties in tracks, and of train service, other than that necessary in connection with loading or treatment, should not be included in this schedule.

Line No.	Class of ties (a)	Cross-ties		Switch and Bridge Ties			Remarks (h)	Line No.
		Total number of ties applied (b)	Average cost per tie (c)	Total cost of cross-ties laid in new tracks during year (d)	Number of feet (board measure) laid in tracks (e)	Average cost per M feet (board measure) (f)		
1	T	17,887	66.60	1,191	29,490	1,143.78	New	1
2	S	111,367	51.69	5,757			Concrete	2
3								3
4								4
5								5
6								6
7								7
8								8
9								9
10								10
11								11
12								12
13								13
14								14
15								15
16								16
17								17
18								18
19								19
20	TOTAL	129,254		6,948	29,490			20
21	Number of miles of new running tracks, passing tracks, cross-overs, etc., in which ties were laid							21
22	Number of miles of new yard, station, team, industry, and other switching tracks in which ties were laid							22

723. RAILS LAID IN REPLACEMENT

1. Furnish the requested information concerning rails laid in replacement.
2. The term "spot maintenance" in column (h) means repairs to track components during routine inspections, as opposed to programmed replacements aimed at upgrading the general condition of the tracks. "Percent of spot maintenance" refers to the percentage of total rails laid in replacement that are considered to be spot maintenance.
3. In line 9, the average cost of new and relay rail should include the cost of loading at the point of purchase ready for shipment, freight charges paid to foreign lines, and the cost of handling rails in general supply and storage yards. The cost of unloading, hauling over the carrier's own lines, and placing the rails in tracks and of train service in connection with the distribution of rails should not be included in this schedule.

Line No.	Track Category (a)	Miles of rail laid in replacement (rail-miles)						Total		Percent of Spot Maintenance (h)	Line No.
		New rail		Relay rail				Welded rail (f)	Bolted rail (g)		
		Welded rail (b)	Bolted rail (c)	Welded rail (d)	Bolted rail (e)						
1	A	1,171.15	1.65	259.19	2.95	1,430.34	4.60			1	
2	B	230.85	0.33	51.09	0.58	281.94	0.91			2	
3	C	47.20	0.07	10.44	0.12	57.64	0.19			3	
4	D	23.52	0.03	5.20	0.06	28.72	0.09			4	
5	E	35.13	0.05	7.78	0.09	42.91	0.14			5	
6	TOTAL	1,507.85	2.13	333.70	3.80	1,841.55	5.93			6	
7										7	
8	Potential Abandonments									8	
9	Average cost of new and relay rail laid in replacement per gross ton		\$858.92	New	\$895.05	Relay	\$672.59			9	

724. RAILS LAID IN ADDITIONAL TRACKS AND IN NEW LINES AND EXTENSIONS

(Dollars in Thousands)

1. Give particulars of all rails applied during the year in connection with the construction of new track.

In Column (a) classify the kind of rail applied as follows:

- (1) New steel rails, Bessemer process.
- (2) New steel rails, open-hearth process
- (3) New rails, special alloy (describe more fully in a footnote).
- (4) Relay rails.

2. Returns in Columns (c) and (g) should be reported in WHOLE numbers. Fractions of less than one-half should be disregarded and fractions of one-half or more should be counted as one.

3. The returns in Columns (d) and (h) should include the cost of loading at the point of purchase ready for shipment, the freight charges paid to foreign lines, and the cost of handling rails in general supply and storage yards. The cost of unloading, hauling over carrier's own lines, and placing the rails in tracks, as well as train service in connection with the distribution of the rail, should not be included in this schedule.

Line No.	Class of rail (a)	Rail Applied in Running Tracks, Passing Tracks, Crossovers, Etc.				Rail Applied in Yard, Station, Team, Industry and Other Switching Tracks				Line No.
		Weight of rail		Total cost of rail applied in running track, passing track, crossovers, etc., during year (d)	Average cost per ton (2000 lbs) (e)	Weight of rail		Total cost of rail applied in yard, station, team, industry, and other switching track during year (h)	Average cost per ton (2000 lbs) (i)	
		Pounds per yard of rail (b)	Number of tons (2000 lbs) (c)			Pounds per yard of rail (f)	Number of tons (2000 lbs) (g)			
1	1	132	18	15	0.81	136	376	593	1.58	1
2	1	136	1,845	1,559	0.84	141	77	138	1.80	2
3	1	141	7,827	6,624	0.85					3
4	1	115	140	121	0.86					4
5	1	136	34	26	0.75					5
6	1	141	396	346	0.87					6
7										7
8	4	132	44	28	0.65	115	56	39	0.70	8
9	4	136	62	42	0.67	132	206	214	1.04	9
10	4	132	203	209	1.04	136	356	237	0.67	10
11	4	136	67	44	0.67					11
12										12
13										13
14										14
15										15
16										16
17										17
18										18
19										19
20										20
21										21
22										22
23										23
24										24
25										25
26										26
27										27
28										28
29										29
30										30
31										31
32										32
33	TOTAL	N/A	10,636	9,014	0.85	N/A	1,071	1,221	1.14	33
34	Number of miles of new running tracks, passing tracks, cross-overs, etc., in which rails were laid.								43.36	34
35	Number of miles of new yard, station, team, industry, and other switching tracks in which rails were laid.								4.53	35
36	Track-miles of welded rail installed on system this year				47.89	Total to date			2,835.66	36

725. WEIGHT OF RAIL

Give the particulars called for below concerning the road and track operated by respondent at the close of the year. Only the respondent's proportion of jointly owned mileage should be included. Under "Weight of rail," the various weights of rail should be given. Road and track occupied under trackage rights or other form of license should not be included herein, but all road and track held under any form of lease (granting exclusive possession to the lessee) should be included.

Line No.	Weight of rails per yard (pounds) (a)	Line-haul companies (miles of main track) (b)	Switching and terminal companies (miles of all track) (c)	Remarks (d)	Line No.
1	52				1
2	56				2
3	60				3
4	65				4
5	66	2			5
6	67				6
7	68	9			7
8	70	8			8
9	72	4			9
10	75	57	11		10
11	76				11
12	77	15			12
13	80	13			13
14	85	204	5		14
15	90	892	7		15
16	100	153			16
17	105				17
18	110	199	19		18
19	112	2,158	39		19
20	115	3,114	19		20
21	119	606			21
22	128		1		22
23	129	287			23
24	130	3			24
25	131	906	1		25
26	132	6,432			26
27	133	12			27
28	136	11,096			28
29	140	14			29
30	141	1,564			30
31	155	2			31
32	Unknown	70			32
33					33
34					34
35					35
36					36
37					37
38					38
39					39
40					40
41					41
42					42
43					43
44					44
45					45
46					46
47					47
48	TOTAL	27,820	102		48

726. SUMMARY OF TRACK REPLACEMENTS

1. Furnish the requested information concerning the summary of track replacements.
2. In columns (d), (e), (g), and (i), give the percentage of replacements to units of property in each track category at year end.

Line No.	Track Category (a)	Ties				Rail		Ballast	Track Surfacing		Line No.
		Number of ties replaced		Percent replaced		Miles of rail replaced (rail-miles) (f)	Percent Replaced (g)		Miles surfaced (i)	Percent surfaced (j)	
		Crossties (b)	Switch and bridge ties (board feet) (c)	Crossties (d)	Switch and bridge ties (board feet) (e)						
1	A	2,546,709	3,163,900	3.73%	N/A	1,435	3.35%	874,988	8,574	40.03%	1
2	B	341,730	948,893	1.66%	N/A	283	2.19%	695,286	1,046	16.21%	2
3	C	53,219	113,375	1.03%	N/A	58	1.79%	14,138	183	11.31%	3
4	D	11,071		0.18%	N/A	29	0.75%	53,928	25	1.29%	4
5	E	84,895	633,362	0.32%	N/A	43	0.26%	4,973	3,177	37.70%	5
6	TOTAL	3,037,624	4,859,530	2.39%	N/A	1,848	2.32%	1,643,313	13,005	32.64%	6
7	F				N/A						7
8	Potential abandonments				N/A						8

750. CONSUMPTION OF DIESEL FUEL
(Dollars in Thousands)

Line No.	LOCOMOTIVES		Line No.
	Kind of locomotive service (a)	Diesel oil (gallons) (b)	
1	Freight	1,362,517,943	1
2	Passenger		2
3	Yard Switching	52,497,057	3
4	TOTAL	1,415,015,000	4
5	COST OF FUEL \$(000)*	\$ 4,467,227	5
6	Work Train	952,478	6

*Show cost of fuel charged to train and yard service (function 67-Loco. Fuels). The cost stated for diesel fuel should be the total charges in the accounts specified, including freight charges and handling expenses. Fuel consumed by mixed and special trains that are predominantly freight should be included in freight service, but where the service of mixed or special trains is predominantly passenger, the fuel should be included in passenger service.

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 755

Unit Train, Way Train, and Through Train data under items 2, 3, 4, 6, and 12 shall be obtained from conductor's wheel reports (freight) or similar reports. Unit train service is a specialized scheduled shuttle type service in equipment (railroad or privately owned) dedicated to such service, moving between origin and destination. The applicable tariffs and/or contracts generally require that a specific minimum tonnage or quantity of carloads be tendered as a unit for shipment on one bill of lading or other shipping document in a solid train for movement between origin and destination. Such tariffs and/or contracts generally contain restricted detention provisions and are subject to time-volume requirements which reflect the approximate capacity of the unit trains for the stated period. Way trains are defined as trains operated primarily to gather and distribute cars in road service and move them between way stations or way points. Through trains are those trains operated between two or more major concentration or distribution points. Do not include unit train statistics in way or through train statistics. A work train is a train operated solely or preponderantly for the purpose of transporting company freight, work equipment, or company employees. Statistics for work trains should be reported under Item 11, only. Statistics related to company equipment, company employees, and company freight moving in transportation trains are not to be reported in Item 11, but are to be reported in Items 4-17, 6-04, 7-02, 8-04, and 8-05, as instructed in notes I, K, and L.

- (A) Report miles of road operated at close of year, excluding industrial tracks, yard tracks, and sidings.
- (B) A train-mile is a movement of a train a distance of one mile. In computing train-miles, fractions representing less than one-half mile shall be disregarded and other fractions shall be considered as one mile. Train Miles-Running shall be based on the actual distance run between terminals and/or stations and shall be computed from the official time tables or distance tables. Train-Miles shall not be increased to cover the running of locomotives from shops to terminals, doubling hills, switching, or other work at way stations, or for the service of helper or pusher locomotives or of extra locomotives on double-head or triple-head trains. When the carrier's trains are detoured over foreign roads, the miles shall be computed on the basis of the miles actually run and in accordance with the service performed. Train-miles shall be kept separately for trains hauled by locomotives and trains moved by motorcars.
- (C) A motorcar is a self-propelled unit of equipment designed to carry freight or passengers, and is not considered a locomotive.
- (D) A locomotive is a self-propelled unit of equipment designed solely for moving other equipment. A locomotive unit-mile is a movement of a locomotive unit a distance of one mile under its own power. Include miles made by all locomotive units. Exclude miles made by motorcars. Miles of locomotives in helper service shall be computed on the basis of actual distance run in such service.
- (E) All locomotive unit-miles in road service shall be based on the actual distance run between terminals and/or stations. Follow instruction (B) regarding fractions and official time tables for computing locomotive miles.
- (F) Train switching locomotive-miles shall be computed at the rate of six miles per hour for the time actually engaged in such service. Include miles allowed for train locomotives for performing switching service at terminals and way stations.
- (G) Yard switching locomotive-miles shall be computed at the rate of six miles per hour for the time actually engaged in yard switching service. Include miles allowed for yard locomotives for switching service in yards where regular switching service is maintained and in terminal switching and transfer service.
- (H) A car-mile is a movement of a unit of car equipment a distance of one mile. Use car designations shown in Schedule 710. Under Railroad Owned and Leased Cars, items 4-01 and 4-11, report both foreign cars and respondent's own cars while on the line of the respondent railroad. In Items 4-13 and 4-15, report private-line cars and shipper owned cars. Loaded and empty miles should be reported whether or not the railroad reimbursed the owner on a loaded and/or empty mile basis. Report miles made by flatcars carrying empty highway trailers that are not moving under revenue billings as empty freight cars-miles. Do not report miles made by motorcars or business cars.
- (I) Exclude from Items 4-01, 4-11, 4-13, and 4-5, car-miles of work equipment, cars carrying company freight, and non-revenue private line cars moving in transportation trains. Include such car-miles in Items 4-17, 4-18, and 4-19. If private line cars move in revenue service, the loaded and empty miles should not be considered no-payment or non-revenue car-miles.
- (J) Report miles actually run by passenger-train cars in transportation service. Passenger-train car-miles include miles run by coaches and cars in which passengers are carried at regular tariff fares without extra charge for space occupied; miles run by combination passenger and baggage, passenger and mail, passenger and express; miles run by sleeping, parlor, and other cars for which an extra fare is charged; miles run by dining, cafe, and other cars devoted exclusively to the serving of meals and other refreshments and by club, lounge, and observation cars; and miles run by other passenger-train cars where services are combined, such as baggage, express, and mail.
- (K) From conductor's or dispatcher's train reports or other appropriate sources, compute weight in tons (2,000 pounds). Item 6-01 includes weight of all locomotive units moved one mile in transportation trains. Ton-miles of motorcars should be excluded. Items 6-02 and 6-03 represent tons behind locomotive units (cars and contents, cabooses) moved one mile in transportation trains (excluding non-revenue gross ton-miles). Nonrevenue gross ton-miles in transportation trains include work equipment and cars carrying company freight and their contents. Use 150 pounds as the average weight per passenger and four tons as the average weight of contents of each head-end car.
- (L) From conductor's train reports or other appropriate sources, compute ton-miles of freight. Ton-miles represent the number of tons of revenue and nonrevenue freight moved one mile in a transportation train. Include net ton-miles in motorcar trains. Exclude l.c.l. shipment of freight handled in mixed baggage express cars. Total ton-miles of revenue freight should correspond to the ton-miles reported on Form CBS.

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 755 - (Concluded)

(M) Road service represents elapse time of transportation trains (both ordinary and light) between the time of leaving the initial terminals and the time at final terminals, including trains switching at way stations and delays on road as shown by conductor's or dispatcher's train reports. Include time of motorcar service performed by train locomotives at terminals and way stations. Report in Item 9-02, train switching hours included in Item 9-01. Train switching is the time spent by the train while performing switching service at terminals and way stations where no regular yard service is maintained. A train hour is independent of the number of locomotives in the train.

(N) Yard switching hours are hours expended in switching service performed by yard crews in yards where regular switching service is maintained, including switching and transfer service in connection with the transportation of revenue and incidentally of company freight. Hours in yard switching are independent of the number of locomotives used.

(O) Work-train miles include the miles run by trains engaged in company service such as official inspection; inspection trains for railway commissioners for which no revenue is received; trains running special with fire apparatus to save carrier's property from destruction; trains run for transporting the carrier's employees to and from work when no transportation charge is made; wrecking trains run solely for the purpose of transporting company material; trains run for distributing material and supplies for use in connection with operations; and all other trains used in work-train services. Exclude miles run by locomotives while engaged incidentally in switching company materials in company shops or material yards in connection with regular yard switching service or in switching equipment for repairs between yards and shops.

(P) The number of loaded freight cars shall be obtained from the conductors' wheel report and shall be the sum of all loaded cars handled by each train. For example, if a car moves loaded (1) in a way train from the origination points, (2) in two through trains, and (3) in a way-train to the destination point, the total count of loaded cars would be four: two counts for the movements in the way trains and two counts for the movements in through trains. Therefore, each car originated or received from a connecting carrier receives an initial count, plus one count for each subsequent physical transfer between trains on respondent's lines. No additional count is given because of crew change or changes in track identification number unless there is a physical transfer of the car between trains. Each car moving under revenue billing shall be considered as a loaded car.

(Q) Report vehicles (TOFC trailers/containers, automobiles and trucks) loaded and unloaded to and from TOFC and multiple level freight cars when the work is performed at the railroad's expense.

(R) Report the number of loaded revenue trailers/containers picked up, plus revenue trailers/containers delivered in TOFC/COFC and in highway interchange service, when the work is performed at the railroad's expense. (Performed at railroad's expense means that railroad employees perform the service or that the railroad hires a subsidiary or outside contractor to perform the service.) Do not include those trailers/containers which are picked up or delivered by a shipper or motor carrier, etc. when a tariff provision requires that the shipper or motor carrier, etc., and not the railroad, perform that service. Note: The count should reflect the trailers/containers for which expenses are reported in Schedule 417, line 2, column (b).

(S) Report under Marine Terminals, Item 16, the tons loaded onto and unloaded from marine vessels at the expense of the reporting railroad.

(T) Report the total number of foreign railroad cars on line at the end of the year (except surplus cars, see below). Foreign railroad cars refers to freight cars owned by other railroads whose interline rental is settled on time (by hour) and actual line-haul mileage charges under the Code of Car Hire Rules.

Carriers will be governed by local conditions in determining whether a car at an interchange point should be considered "on-line." Unserviceable cars include cars on repair tracks undergoing or awaiting repairs. They include cars on repair tracks repaired and awaiting switching, cars on repair tracks undergoing or awaiting repairs switching, cars awaiting movement to repair tracks held in train yards (excluding cars which are to be repaired in the train yard without loss of time), cars moving empty in trains en route to shop, and cars stored awaiting disposition.

Surplus cars are cars which are in serviceable condition for loading on the last day of the year, but have not been placed for loading within 48 hours. This count can be an annual average based on weekly count of cars that have not been placed for loading within 48 hours.

(U) Flat-TOFC/COFC Car-miles reported in lines 25 (4-020), 41 (4-120), 57 (4-140), and 75 (4-160) will be computed using cars rather than constructed container platforms. For example, an articulated car consisting of five platforms moved one mile will be counted as one car-mile, not five car-miles.

(V) The intermodal Load Factor reported on Line 134 will be calculated for the average number of intermodal (TOFC/COFC) units loaded on the average intermodal car. Units are to be calculated in the same manner as Line 123 (13 TOFC/COFC - No. of Revenue Trailers & Containers Loaded and Unloaded (Q)). Intermodal cars will be calculated in accordance with instruction U for reporting Flat-TOFC/COFC Car-miles. Both intermodal (TOFC/COFC) units and intermodal cars are to be calculated using actual units and not constructed intermodal (TOFC/COFC) units or cars.

755. RAILROAD OPERATING STATISTICS

Line No.	Cross Check	Item Description (a)	Freight Train (b)	Passenger Train (c)	Line No.
1		1 Miles of Road Operated (A)	32,166		1
2		2 Train Miles - Running (B)			
2		2-01 Unit Trains	59,653,520	XXXXXX	2
3		2-02 Way Trains	7,258,730	XXXXXX	3
4		2-03 Through Trains	100,014,275		4
5		2-04 TOTAL TRAIN MILES (Lines 2-4)	166,926,525		5
6		2-05 Motorcars (C)			6
7		2-07 TOTAL ALL TRAINS (Lines 5 and 6)	166,926,525		7
		3 Locomotive Unit Miles (D)			
		Road Service (E)			
8		3-01 Unit Trains	188,904,439	XXXXXX	8
9		3-02 Way Trains	16,430,751	XXXXXX	9
10		3-03 Through Trains	317,765,528		10
11		3-04 TOTAL (Lines 8-10)	523,100,718		11
12		3-11 Train Switching (F)	4,359,100	XXXXXX	12
13		3-21 Yard Switching (G)	15,804,254		13
14		3-31 TOTAL ALL SERVICES (Lines 11-13)	543,264,072		14
		4 Freight Car-Miles (thousands) (H)			
15		4-01 RR Owned and Leased Cars - Loaded			
		4-010 Box-Plain 40-Foot	3	XXXXXX	15
16		4-011 Box-Plain 50-Foot and Longer	13,154	XXXXXX	16
17		4-012 Box-Equipped	184,255	XXXXXX	17
18		4-013 Gondola-Plain	318,551	XXXXXX	18
19		4-014 Gondola-Equipped	90,609	XXXXXX	19
20		4-015 Hopper-Covered	744,474	XXXXXX	20
21		4-016 Hopper-Open Top-General Service	73,067	XXXXXX	21
22		4-017 Hopper-Open Top-Special Service	144,665	XXXXXX	22
23		4-018 Refrigerator-Mechanical	25,372	XXXXXX	23
24		4-019 Refrigerator-Non-Mechanical	48,703	XXXXXX	24
25		4-020 Flat-TOFC/COFC	545,298	XXXXXX	25
26		4-021 Flat-Multi-Level	45,446	XXXXXX	26
27		4-022 Flat-General Service	625	XXXXXX	27
28		4-023 Flat-All Other	85,148	XXXXXX	28
29		4-024 All Other Car Types-Total	1,626	XXXXXX	29
30		4-025 TOTAL (Lines 15-29)	2,320,996	XXXXXX	30

755. RAILROAD OPERATING STATISTICS - (Continued)

Line No.	Cross Check	Item Description (a)	Freight Train (b)	Passenger Train (c)	Line No.
		4-11 RR Owned and Leased Cars - Empty			
31		4-110 Box-Plain 40-Foot	19	XXXXXX	31
32		4-111 Box-Plain 50-Foot and Longer	9,742	XXXXXX	32
33		4-112 Box-Equipped	143,041	XXXXXX	33
34		4-113 Gondola-Plain	333,819	XXXXXX	34
35		4-114 Gondola-Equipped	85,791	XXXXXX	35
36		4-115 Hopper-Covered	720,470	XXXXXX	36
37		4-116 Hopper-Open Top-General Service	74,620	XXXXXX	37
38		4-117 Hopper-Open Top-Special Service	144,677	XXXXXX	38
39		4-118 Refrigerator-Mechanical	16,700	XXXXXX	39
40		4-119 Refrigerator-Non-Mechanical	31,475	XXXXXX	40
41		4-120 Flat-TOFC/COFC	58,335	XXXXXX	41
42		4-121 Flat-Multi-Level	12,120	XXXXXX	42
43		4-122 Flat-General Service	1,043	XXXXXX	43
44		4-123 Flat-All Other	87,885	XXXXXX	44
45		4-124 All Other Car Types-Total	17,994	XXXXXX	45
46		4-125 TOTAL (Lines 31-45)	1,737,731	XXXXXX	46
		4-13 Private Line Cars - Loaded (H)			
47		4-130 Box-Plain 40-Foot		XXXXXX	47
48		4-131 Box-Plain 50-Foot and Longer	7,349	XXXXXX	48
49		4-132 Box-Equipped	28,778	XXXXXX	49
50		4-133 Gondola-Plain	1,024,073	XXXXXX	50
51		4-134 Gondola-Equipped	16,122	XXXXXX	51
52		4-135 Hopper-Covered	395,208	XXXXXX	52
53		4-136 Hopper-Open Top-General Service	92,366	XXXXXX	53
54		4-137 Hopper-Open Top-Special Service	776,054	XXXXXX	54
55		4-138 Refrigerator-Mechanical	6,581	XXXXXX	55
56		4-139 Refrigerator-Non-Mechanical	522	XXXXXX	56
57		4-140 Flat-TOFC/COFC	796,460	XXXXXX	57
58		4-141 Flat-Multi-Level	189,617	XXXXXX	58
59		4-142 Flat-General Service	229	XXXXXX	59
60		4-143 Flat-All Other	63,796	XXXXXX	60
61		4-144 Tank Under 22,000 Gallons	144,043	XXXXXX	61
62		4-145 Tank - 22,000 Gallons and Over	327,456	XXXXXX	62
63		4-146 All Other Car Types-Total	34,861	XXXXXX	63
64		4-147 TOTAL (Lines 47-63)	3,903,515	XXXXXX	64

755. RAILROAD OPERATING STATISTICS - (Continued)

Line No.	Cross Check	Item Description (a)	Freight Train (b)	Passenger Train (c)	Line No.
65		4-15 Private Line Cars - Empty (H)		XXXXXX	65
66		4-150 Box-Plain 40-Foot		XXXXXX	66
67		4-151 Box-Plain 50-Foot and Longer	3,166	XXXXXX	67
68		4-152 Box-Equipped	11,351	XXXXXX	68
69		4-153 Gondola-Plain	1,077,925	XXXXXX	69
70		4-154 Gondola-Equipped	17,836	XXXXXX	70
71		4-155 Hopper-Covered	404,033	XXXXXX	71
72		4-156 Hopper-Open Top-General Service	93,404	XXXXXX	72
73		4-157 Hopper-Open Top-Special Service	794,943	XXXXXX	73
74		4-158 Refrigerator-Mechanical	6,387	XXXXXX	74
75		4-159 Refrigerator-Non-Mechanical	579	XXXXXX	75
76		4-160 Flat-TOFC/COFC	92,676	XXXXXX	76
77		4-161 Flat-Multi-Level	40,536	XXXXXX	77
78		4-162 Flat-General Service	392	XXXXXX	78
79		4-163 Flat-All Other	66,412	XXXXXX	79
80		4-164 Tank Under 22,000 Gallons	153,308	XXXXXX	80
81		4-165 Tank - 22,000 Gallons and Over	366,306	XXXXXX	81
82		4-166 All Other Car Types-Total	15,484	XXXXXX	82
83		4-167 TOTAL (Lines 65-81)	3,144,738	XXXXXX	83
84		4-17 Work Equipment and Company Freight Car-Miles	65,332	XXXXXX	84
85		4-18 No Payment Car-Miles (I) <1>		XXXXXX	85
86		4-19 Total Car-Miles by Train Type (Note)			86
87		4-191 Unit Trains	6,353,259	XXXXXX	87
88		4-192 Way Trains	219,554	XXXXXX	88
89		4-193 Through Trains	4,599,499	XXXXXX	89
		4-194 TOTAL (Lines 85-87)	11,172,312	XXXXXX	
		4-20 Caboose Miles	99	XXXXXX	

<1> Total number of loaded miles _____ and empty miles _____ by roadrailer reported above.

Note: Line 88, total car miles, is equal to the sum of lines 30, 46, 64, 82, 83, and 84. Accordingly, the car miles reported on lines 83 and 84 are to be allocated to lines 85, 86, and 87, and included in the total shown on line 88.

755. RAILROAD OPERATING STATISTICS - (Concluded)

Line No.	Cross Check	Item Description (a)	Freight Train (b)	Passenger Train (c)	Line No.
		6 Gross Ton-Miles (thousands) (K)			
98		6-01 Road Locomotives	105,314,103		98
		6-02 Freight Trains, Crs., Cnts, & Caboose			
99		6-020 Unit Trains	562,607,894	XXXXXX	99
100		6-021 Way Trains	16,225,124	XXXXXX	100
101		6-022 Through Trains	540,782,748	XXXXXX	101
102		6-03 Passenger Trains, Crs. & Cnts.			102
103		6-04 Non-Revenue	12,074,008	XXXXXX	103
104		6-05 TOTAL (Lines 98 - 103)	1,237,003,877		104
		7 Tons of Freight (thousands)			
105		7-01 Revenue	609,472	XXXXXX	105
106		7-02 Non-Revenue	10,732	XXXXXX	106
107		7-03 TOTAL (Lines 105 and 106)	620,204	XXXXXX	107
		8 Ton-Miles of Freight (thousands) (L)			
108		8-01 Revenue - Road Service	664,384,072	XXXXXX	108
109		8-02 Revenue - Lake Transfer Service		XXXXXX	109
110		8-03 TOTAL (Lines 108 and 109)	664,384,072	XXXXXX	110
111		8-04 Non-Revenue - Road Service	5,997,398	XXXXXX	111
112		8-05 Non-Revenue - Lake Transfer Service		XXXXXX	112
113		8-06 TOTAL (Lines 111 and 112)	5,997,398	XXXXXX	113
114		8-07 TOTAL - REVENUE & NON-REVENUE (Lines 110 and 113)	670,381,470	XXXXXX	114
		9 Train Hours (M)			
115		9-01 Road Service	8,937,267	XXXXXX	115
116		9-0 Train Switching	276,622	XXXXXX	116
117		10 TOTAL YARD-SWITCHING HOURS (N)	2,634,042	XXXXXX	117
		11 Train-Miles Work Trains (O)			
118		11-01 Locomotives	2,002,871	XXXXXX	118
119		11-02 Motorcars		XXXXXX	119
		12 Number of Loaded Freight Cars (P)			
120		12-01 Unit Trains	4,627,563	XXXXXX	120
121		12-02 Way Trains	2,868,002	XXXXXX	121
122		12-03 Through Trains	5,795,047	XXXXXX	122
123		13 TOFC/COFC - No. of Revenue Trailers & Containers Loaded and Unloaded (Q)	7,760,597	XXXXXX	123
124		14 Multi-Level Cars - No. of Motor Vehicles Loaded & Unloaded (Q)	2,034,203	XXXXXX	124
125		15 TOFC/COFC - No. of Revenue Trailers Picked Up & Delivered (R)	131,369	XXXXXX	125
		16 Revenue-Tons Marine Terminal (S)			
126		16-01 Marine Terminals - Coal		XXXXXX	126
127		16-02 Marine Terminals - Ore	10,814,024	XXXXXX	127
128		16-03 Marine Terminals - Other		XXXXXX	128
129		16-04 TOTAL (Lines 126 - 128)	10,814,024	XXXXXX	129
		17 Number of Foreign Per-Diem Cars on Line (T)			
130		17-01 Serviceable	12,299	XXXXXX	130
131		17-02 Unserviceable	112	XXXXXX	131
132		17-03 Surplus	714	XXXXXX	132
133		17-04 TOTAL (Lines 130 - 132)	13,125	XXXXXX	133
134		TOFC/COFC - Average No. of Units Loaded Per Car	6.48	XXXXXX	134

VERIFICATION

The foregoing report shall be verified by the oath of the officer having control of the accounting of the respondent. This report shall also be verified by the oath of the president or other chief officer of the respondent, unless the respondent states that such officer has no control over the respondent's accounting and reporting.

OATH

(To be made by the officer having control of the accounting of the respondent)

State of Texas
County of Tarrant

Darsi D. Brown makes oath and states that she is General Director of Accounting of BNSF Railway Company; that it is her duty to have supervision over the books of accounts of the respondent and to control the manner in which such books are kept; that she knows that such books have been kept in good faith during the period covered by this report; that she knows that the entries contained in this report relate to accounting matters that have been prepared in accordance with the provisions of the Uniform System of Accounts for Railroad Companies and other accounting and reporting directives of the Surface Transportation Board; that she believes that all other statements of fact contained in this report are true, and that this report is a correct and complete statement, accurately taken from the books and records, of the business and affairs of the above-named respondent during the period of time from and including January 1, 2008, to and including December 31, 2008.

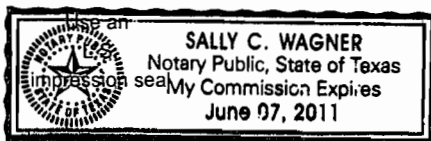
Darsi D. Brown

(Signature of affiant)

Subscribed and sworn to before me, a _____ in and for the State and county above named, this 31st day of March, 2009.

My commission expires

June 7, 2011



Sally C. Wagner
(Signature of officer authorized to administer oaths)

SUPPLEMENTAL OATH

(By the president or other chief officer of the respondent)

State of Texas
County of Tarrant

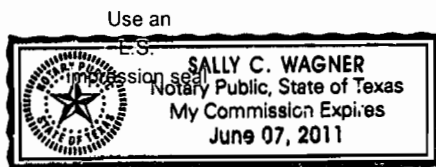
Paul W. Bischler makes oath and states that he is Vice President and Controller of BNSF Railway Company; that he has carefully examined the foregoing report; that he believes that all statements of fact contained in the said report are true, and that the said report is a correct and complete statement of the business and affairs of the above-named respondent and the operations of its property during the period of time from and including January 1, 2008, to and including December 31, 2008.

Paul W. Bischler
(Signature of affiant)

Subscribed and sworn to before me, a _____ in and for the State and county above named, this 31st day of March, 2009.

My commission expires

June 7, 2011



Sally C. Wagner
(Signature of officer authorized to administer oaths)

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